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BEFORE THE
DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.

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Joint Application of :
: AMERICAN AIRLINES, INC. :
: and :
: LINEA AEREA NACIONAL CHILE, :
: S.A. (LAN CHILE) :
: :
under 49 U.S.C. §§ 41308 and 41309 for :
approval of and antitrust immunity :
for alliance agreement :

OST-97- 3285-1

JOINT APPLICATION OF AMERICAN AIRLINES, INC.
AND LINEA AEREA NACIONAL CHILE, S.A. (LAN CHILE)

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JOINT APPLICATION OF AMERICAN AIRLINES, INC.
AND LINEA AEREA NACIONAL CHILE, S.A. (LAN CHILE)

American Airlines, Inc. and Linea Aerea Nacional Chile, S.A. (Lan Chile) hereby jointly apply, under 49 U.S.C. sections 41308 and 41309, for approval of and antitrust immunity for their alliance agreement of September 5, 1997 (Exhibit JA-1).¹ The joint applicants request that antitrust immunity be effective at the earliest possible date and remain in place for a period of at least five years.

¹ The term "alliance agreement," as used herein, means (1) the joint applicants' agreement of September 5, 1997 (Exhibit JA-1); (2) any implementing agreements that the joint applicants conclude pursuant to the alliance agreement (including the Codeshare Agreement dated September 5, 1997); and (3) any subsequent agreement(s) or transaction(s) by the joint applicants pursuant to the foregoing agreements. See Order 96-5-27 (May 21, 1996), at 1 n.1.

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I. INTRODUCTION

On October 28, 1997, the Governments of the United States and Chile initialed an historic open skies agreement that promises to usher in a new era of competition in the U.S.-Chile market and provide substantial benefits to consumers and communities in both countries. Carrier alliances such as the one for which American and Lan Chile seek approval and immunity herein are a critical vehicle for the delivery of these benefits. American and Lan Chile are filing this joint application with the understanding that the immunity they are requesting -- and the benefits their alliance will provide -- will not become effective until the U.S.-Chile open skies agreement has been signed, an event that, hopefully, will occur in April 1998, during President Clinton's visit to Santiago for the Summit of the Americas.

The proposed American/Lan Chile alliance is fully consistent with U.S. international aviation policy, which has encouraged global arrangements between U.S. and foreign carriers in order to benefit consumers and enhance competition. Indeed, in the case of a carrier such as Lan Chile, such an arrangement is vital to allow the carrier to realize new opportunities under open skies and provide benefits to consumers. The Department has already approved and immunized five alliances between U.S. and foreign airlines --

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United/Lufthansa/SAS, Delta/Swissair/Sabena/Austrian, Northwest/KLM, American/Canadian, and United/Air Canada -- and should likewise approve and immunize the American/Lan Chile alliance to provide consumers with important new price, service, and quality options in the global marketplace.

The proposed American/Lan Chile alliance consists of three main elements:

- o Coordination of various functions and activities relating to passenger and cargo services that the two carriers operate between the United States and Chile and beyond, as more fully explained below.

- o Reciprocal codesharing. American will place its code on Lan Chile's Chile-U.S. services and flights beyond Lan Chile's gateways in Chile, and Lan Chile will place its code on American's U.S.-Chile services and flights beyond American's gateways in the U.S. The parties may also codeshare on each other's additional services worldwide where permitted by governmental authorities.

- o Reciprocity for mileage credit accrual and travel award redemption between the frequent flyer programs of American and Lan Chile.

These alliance arrangements are anticipated to begin promptly following the issuance of regulatory authorizations and antitrust immunity. Notwithstanding the cooperation and

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joint operations contemplated by the alliance agreement, both airlines will retain their separate identities, brands, ownership and control. The alliance does not involve any exchange of equity or other forms of cross-ownership.

The American/Lan Chile alliance will offer consumers a myriad of benefits:

- o A broad network, comprising some 4,000 potential city-pairs, making the world more accessible to consumers with new and convenient routings, which will compete with the other alliances already immunized by the Department and with code-share arrangements in the Americas and elsewhere, such as that between United Air Lines and VARIG, the largest carrier in South America, and between Delta Air Lines and Transbrasil.

- o A wide choice of routings and schedules.

- o Seamless, coordinated connections between alliance flights, including single tickets and through-handling of baggage and cargo.

- o Service offered by two airlines known throughout the world for their commitment to high quality service and innovation.

- o Coordination between two excellent frequent flyer programs, offering a wide range of opportunities both for earning mileage credit and for enjoying travel awards.

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- o More value, made possible through the synergies and efficiencies that the alliance will create.

The American/Lan Chile alliance will significantly improve consumer convenience and choice, produce operating efficiencies that will create greater value for passengers and shippers, increase competition in thousands of city-pair markets, and generate economic benefits for communities across the worldwide networks of both airlines. Improved air services will increase tourism and encourage local economic development, generating growth in employment and tax revenues.

The alliance will also benefit the employees and shareholders of each company. American and Lan Chile employees will benefit from growth opportunities at both carriers, and shareholders will enjoy improved returns resulting from synergies and market growth.

The past several years have witnessed a remarkable expansion of airline service to and from the United States. Much of this growth has resulted from the Clinton Administration's initiatives, including the April 1995 Statement of International Air Transportation Policy and a series of open skies aviation agreements with major trading partners such as Canada as well as other important trading nations in Europe, Asia and, in this hemisphere, the Central American nations of

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Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama.

At the time it initialed the U.S.-Chile open skies agreement, the Government of Chile made it clear that the market cannot be fully opened unless Chilean carriers are assured of effective access to U.S. traffic through alliances with other carriers. See Memorandum of Consultations, October 28, 1997. The Government of Chile's position reflects the fact that new service opportunities for Chilean carriers under an open skies agreement are not meaningfully available unless Chilean carriers are able to enter into full cooperative alliances with U.S. carriers of their choosing. Otherwise, the skies would be "open" in name only.

It is clear, on the other hand, that failure to approve the alliance would seriously undermine any prospect for an effective U.S.-Chile open skies agreement for the foreseeable future and would undermine what has been a successful U.S. policy of achieving liberalized agreements with other countries.

An open skies agreement will eliminate the frequency and designation restrictions in the U.S.-Chile market and permit an unlimited number of U.S. and Chilean airlines to operate over an unlimited number of routes with unlimited frequencies. The door will be wide open to new competitive

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entry and expansion to U.S. carriers such as Continental Airlines, Delta Air Lines, and United Air Lines, which have shown substantial interest in new and/or expanded services in the U.S.-Chile market.

In order to proceed with the alliance -- and to give meaning to an open skies agreement between the United States and Chile -- American and Lan Chile require antitrust immunity. In addition, American and Lan Chile require exemptions and statements of authorization to implement the codesharing operations contemplated by the alliance agreement. That authority is being sought in separate applications, submitted on October 7, 1997,² and should be granted no later than approval and immunization of the alliance agreement.

These and other matters are discussed in further detail below.

II. THE AMERICAN/LAN CHILE ALLIANCE AGREEMENT

The alliance agreement between American and Lan Chile (Exhibit JA-1) establishes the contractual framework for implementation of comprehensive coordinated activities by the two carriers. If the agreement is approved and antitrust

² Docket OST-97-2982 and undocketed. The codeshare operations encompassed by these previously-filed applications are consistent with and permitted by the existing 1989 U.S.-Chile air transport agreement, as amended.

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immunity is granted, the applicants will then proceed to conclude specific coordination undertakings with respect to scheduling, marketing, pricing, planning, joint services, and related matters. The joint applicants have not yet made such agreements in the absence of antitrust immunity.

The alliance agreement contemplates coordination in the following key areas:

1. Codesharing. Each party will codeshare on the U.S.-Chile services operated by the other party. In conjunction with their U.S.-Chile flights, the parties will also codeshare on connecting services they operate in the United States and in Chile. Insofar as permitted by applicable air transport agreements, each party will codeshare on the services of the other party beyond the United States and Chile. The parties may also codeshare on each other's additional services worldwide where permitted by governmental authorities. For codesharing services, the marketing carrier will sell seats from the operating carrier's available inventory.

2. Revenue Allocation. The parties will develop a method for allocating revenues derived from the operation of their alliance services, such as revenue sharing or pooling.

3. Pricing. The parties will cooperate in the establishment of rates and fares and pricing strategies for

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services provided under the alliance agreement, in particular, the codeshare flights.

4. Yield management. The parties will cooperate regarding inventory control and yield management as those functions relate to services provided under the alliance agreement, in particular, the codeshare flights. The two carriers will provide each other access to their respective yield management systems and will consult closely in the yield management process.

5. Schedules. The parties will jointly plan their respective schedules for U.S.-Chile service and related connecting services in order to maximize and optimize the service options available to consumers and to minimize connecting times, for the benefit of consumers.

6. Marketing and product. The parties will jointly (as well as individually) market, promote, and advertise the services covered by the alliance agreement. The parties will also seek to harmonize their respective service standards and jointly develop new products, where appropriate. The parties may seek to use an alliance mark to represent their alliance and frequent flyer program linkage.

7. Frequent flyer programs. The parties will offer reciprocal frequent flyer programs, which will allow members of

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one party's frequent flyer program to accrue and redeem awards on the services of the other party.

8. Sales and expenses. The parties will jointly determine the most efficient and commercially sensible way to sell alliance services, coordinate their sales forces, and allocate their sales resources.

9. Airports. The parties contemplate sharing facilities at the airports they serve, so far as possible, while maintaining the identity of both brands.

10. Cargo. The parties will cooperate in the transportation of cargo between the United States and Chile and in other markets. It is contemplated that Lan Chile will serve as American's general sales agent for cargo in Chile and American will serve as Lan Chile's general sales agent for cargo in the United States.

11. Cost Reduction. The parties will attempt to coordinate their purchases of goods and services from third parties in order to realize cost savings and eliminate redundancies, where possible. The parties will also coordinate their travel agency commission structures and other incentive arrangements as they relate to the services offered under the alliance agreement, with the objective of reducing costs.

12. Management of the alliance. To coordinate the implementation and management of the alliance, American and Lan

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Chile will form an "Alliance Committee" consisting of two designees from each carrier. The Committee will oversee and manage generally the cooperative activities of the two carriers.

The foregoing areas of coordination will allow the carriers to generate significant efficiencies and provide a broad array of enhanced on-line services, including the provision of broader, more efficient, and more competitive services. It is the parties' belief that none of the benefits and efficiencies can be achieved to the same, or any significant, degree absent antitrust immunity. Such benefits include:

1. Greater Choice and Ease of Connections

By codesharing across each other's networks, American and Lan Chile will offer the traveling public a greater choice of destinations. Passengers and cargo shippers from any of the 225 cities served by American and American Eagle will be able to reach with ease any of the 37 cities served by Lan Chile. Wherever possible, American will place its code on Lan Chile's U.S.-Chile services and flights beyond Lan Chile's gateways in Chile, and Lan Chile will place its code on American's U.S.-Chile services and flights beyond American's U.S. gateways. As a result, the American/Lan Chile alliance network will cover approximately 4,000 city pairs, making more of the world readily accessible to travelers.

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It has been recognized that codesharing agreements for beyond and behind points offer "seamless service" and provide greater convenience and other benefits to customers than standard interline agreements. See Order 96-5-12 (May 9, 1996) (United/Lufthansa); Order 96-5-26 (May 21, 1996) (Delta/Swissair/Sabena/Austrian). For example, customers making a trip involving multiple flights on both American and Lan Chile will have "one stop shopping," using a single ticket, checking through baggage and cargo with ease, and obtaining all required boarding passes at the outset of the journey.

In addition, American and Lan Chile intend to coordinate schedules and, wherever possible, co-locate terminals, to maximize customer convenience and service and improve the connecting process. Similarly, arrival and departure gates will be moved closer together wherever possible, and operations will be transferred from one terminal to another to minimize walking distances between connecting flights. The broader range of flight times and co-location of facilities is clearly in the consumer's interest, not only because this provides greater choice, but also because this reduces the inconvenience to the customer in the event of delay or other disruption resulting from weather conditions, mechanical problems, or other factors.

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2. Reciprocal Frequent Flyer Programs

Customers will also benefit from coordination of the two carriers' frequent flyer programs. These programs will become fully reciprocal: mileage accrued on one airline can be used not just for awards on the other but also to achieve a higher tier membership. In addition, members of the alliance partners' club programs will have additional airport lounges available to them and will receive priority bookings on flights across both airlines' networks.

3. Quality of Service

Both American and Lan Chile have long had a commitment to innovative and excellent service. The alliance between the two carriers will facilitate achievement of the highest common level of customer service.

4. Availability of Lower Fares

Coordination and consultation by American and Lan Chile in the yield management process will also result in tangible consumer benefits, chiefly the availability of lower fare seats. By consulting with one another on yield management issues and thereby obtaining an enhanced ability to predict customer preferences, the carriers will no longer need to over-protect higher fare classes, and thus a greater number of lower fare seats will become available sooner. In addition, the consultative yield management process will facilitate more

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accurate overbooking practices, increasing the likelihood that passengers will be able to travel on their chosen flights.

It is also the parties' belief that consumers will likely benefit from lower fares due to greater competition resulting from an open skies agreement between the United States and Chile. The entry and/or expansion of additional U.S. and Chilean carriers on U.S.-Chile routes will clearly result in increased competition, and will likely lead to reductions in fares.

5. Cost Benefits and Efficiencies

The parties believe that the proposed alliance will produce a number of cost synergies and efficiencies that will result in more efficient, cost-effective operations, the benefits of which will ultimately reach customers with lower fares and improved services. A recent GAO report noted that "[i]n the long run, consumers could pay lower fares...as airlines in alliances integrate further and achieve cost efficiencies that could be passed on to the consumer." GAO Report to Congressional Requesters, International Aviation, Airline Alliances Produce Benefits, April 1995, at 44-45. Section 3.5 of the DOJ 1992 Merger Guidelines expressly recognizes that cost savings and other efficiencies can increase the competitiveness of firms and "result in lower prices to consumers."

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The primary cost benefits achieved by the American/Lan Chile alliance will result from coordination of sales and airport operations, joint promotions and marketing, and joint purchasing. In addition, the two carriers anticipate significant efficiencies from cooperation in the areas of yield management and fleet optimization.

The Department's study on codesharing and other cooperative arrangements recognized the benefits that can be achieved through antitrust immunity for allied carriers in the international marketplace:

"The granting of antitrust exemption permits carriers involved in international alliances to discuss and jointly decide on fare levels and the capacity deployed. . . . The result is that both airlines can aggressively market service in every city-pair market they serve. . . . Antitrust immunity allows alliance partners to share revenue equally, assuring that both carriers can capture the benefits of the alliance."

A Study of International Airline Code Sharing, prepared for the Office of the Secretary of Transportation, December 9, 1994, at 9.

The Department should make possible those same benefits in the U.S.-Chile market by granting antitrust immunity to the proposed American/Lan Chile alliance.

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III. THE ALLIANCE AGREEMENT SHOULD BE APPROVED UNDER 49 U.S.C. § 41309 AND ANTITRUST IMMUNITY SHOULD BE GRANTED UNDER 49 U.S.C. § 41308

A. Grant Of The Joint Application Will Provide Important Public Benefits That Will Not Otherwise Be Possible

Approval of and immunity for the American/Lan Chile alliance will provide substantial public benefits. The new open skies agreement promises to establish a dynamic and intensely competitive U.S.-Chile air transport market. Approval of and immunity for the alliance are necessary to allow American and Lan Chile to provide new benefits in an open skies environment.³

The American/Lan Chile alliance agreement will allow the joint applicants to create a coordinated network of services between the United States and Chile and beyond. A seamless American/Lan Chile network will promote maximum competition in the U.S.-Chile market and the worldwide marketplace by enabling American and Lan Chile to compete with global alliances that already enjoy antitrust immunity and others, such as United/VARIG, that dwarf the American/Lan Chile arrangement.

The traveling and shipping public will derive considerable benefits from the alliance. Section II, supra, details

³ As is reflected in the October 28, 1997 Memorandum of Consultations, U.S. regulatory approval for alliances of Chilean carriers are critical to the vitality of a U.S.-Chilean open skies agreement.

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the extensive range of those benefits. Briefly, the alliance will create network synergies by establishing new linkages between cities served by the alliance carriers, providing new on-line service to multiple interior points, producing cost efficiencies and savings through system coordination which can be passed on to consumers in the form of lower fares and improved service, and increasing competition in the U.S.-Chile and beyond markets.⁴

Shareholders and employees of American and Lan Chile will derive benefits from the alliance similar to those enjoyed by shareholders of other airlines which are members of immunized alliances. It is not surprising that Northwest's President and Chief Executive Officer, John Dasburg, has stated that antitrust immunity is one of his company's most valuable "strategic assets," benefiting its bottom line by tens of millions of dollars each year. Northwest Says It Has 'Turned The Corner' With Revamped Route System, Aviation Daily, August 9, 1994, at 226. That immunized alliance infused up to \$175 million in additional revenues to Northwest in 1994 alone, one-third of Northwest's total transatlantic passenger revenues. GAO Report, at 28. KLM earned \$100 million in added revenues,

⁴ The GAO Report recognized that system integration and increased competition among airlines generate public benefits in the form of lower fares. GAO Report, at 44-45.

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equal to 18 percent of its transatlantic passenger revenues.

Id. GAO found that "[t]he alliance's success is due to the broad scope of the code-sharing network and the degree of integration the airlines have achieved," which was made possible by antitrust immunity. Id. at 28-29.

In order to realize these benefits, and since legal, economic, and logistical obstacles preclude the formation of transnational integrated route systems either individually or through merger, American and Lan Chile have formed an alliance. Prohibitions against cabotage prevent Lan Chile from operating service between U.S. points (and, therefore, prevent the economic operation of service to interior U.S. points on a non-codeshare basis), and U.S. and Chilean laws concerning nationality and ownership effectively preclude mergers of airlines of different nations.⁵ United, Delta, and Northwest and their partners have received antitrust exemptions in order to operate

⁵ The Department has recognized the obstacles U.S. carriers face in developing their own global networks of direct service. These obstacles include (1) lack of "substantial access not only to key hub cities overseas, but also through and beyond to numerous other cities, mostly in third countries"; (2) lack of "access to a large number of gates and takeoff/landing slots, frequently at some of the world's most congested airports"; (3) lack of "considerable financial resources [necessary] to establish and sustain commercially successful overseas hub systems"; and (4) "the [in]ability to obtain infrastructure and establish market presence in a new region quickly." Statement of United States International Air Transportation Policy ("DOT Policy Statement"), 60 Fed. Reg. 21841, 21842 (May 3, 1995).

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their alliances. American and Lan Chile, wishing to realize a wide range of public benefits, including greater competition with established alliances and codeshare partnerships, request the same exemption for their alliance.

B. Foreign Policy Considerations Support Approval Of And Antitrust Immunity For The Alliance Agreement

The proposed American/Lan Chile alliance agreement is fully consistent with the Department's policy to encourage and facilitate the globalization and cross-networking of air transportation. As Secretary Pena stated when he presented the U.S. International Aviation Policy Statement, "the United States believes that globalization will bring vast benefits for all nations and air carriers that embrace and adapt to it. . . . [We are] firmly behind the movement to . . . increased international traffic and the growth of global networks." Remarks of Secretary Pena at the 50th Anniversary Commemoration of the Chicago Convention, at 3, 6 (November 1, 1994).⁶

Secretary Pena correctly observed that globalization necessarily involves the transcontinental linkage of hub networks, and noted the "ability to effectively flow passenger traffic between [U.S. carriers'] own and others' networks . . .

⁶ See also Statement of Secretary Pena before the Senate Commerce Committee (July 11, 1995) ("the trend towards globalization of air services through efficiency-enhancing networks and alliances is here to stay, . . . offer[ing] great public benefits for all nations").

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enable[s] carriers to provide much improved, more competitive services to millions more travelers and shippers every year." Remarks of Secretary Pena at 50th Anniversary Commemoration of Chicago Convention, at 4; see also DOT Policy Statement, 60 Fed. Reg. 21841, 21842-43 (May 3, 1995) (recognizing airlines' need for "broad, flexible authority to operate beyond and behind hub points, in addition to the hub-to-hub markets between . . . two countries").

The Department also has recognized the essential role of airline alliances in achieving globalization. See Statement of Secretary Pena (introducing the DOT Policy Statement) (April 25, 1995) ("Airlines are becoming increasingly global. Route networks are now being linked in alliances consisting of carriers from different nations, with international hub-and-spoke networks that offer passengers on-line service to cities around the world"); see also Order 96-5-12 (May 9, 1996), at 17-18; Order 96-5-2 (May 21, 1996), at 2. In approving the Delta/Swissair agreement, the Department stated:

"[A]irlines around the world are forming alliances and linking their systems to become partners in transnational networks to capture the operating efficiencies of larger networks, and to permit improved service to a wider array of city-pair markets. We are already seeing the benefits of these international alliances, and we have undertaken to facilitate them and the efficiencies they can generate, and where possible to do so consistently with consumer welfare. We believe that competition between and

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among these global alliances is likely to play a critically important role in ensuring that consumers in this emerging environment have multiple competing options to travel where they wish as inexpensively and conveniently as possible."

Order 96-5-26 (May 21, 1996), at 27 (emphasis added).

Previously, when the Department approved and immunized the Northwest/KLM combination, it anticipated that the grant of antitrust immunity would encourage, and even necessitate, the development of similar alliances by other carriers.

The Department reasoned:

"We look to our Open Skies Accord with the Netherlands and our approval and grant of antitrust immunity to the [Northwest/KLM] Agreement to encourage other...countries to liberalize their aviation services so that comparable opportunities may become available to other U.S. carriers."

Order 92-11-27 (November 16, 1992), at 14.

It is now beyond question that the Northwest/KLM alliance created competitive pressures that led to the United/Lufthansa alliance (which grew into the United/Lufthansa/SAS alliance, which begot the global Star Alliance), the historic U.S.-Germany open skies agreement, the multi-faceted Delta/Swissair/Sabena/Austrian alliance, and open skies agreements with Switzerland, Belgium and Austria. The open skies agreement with Chile will be the first U.S. open skies agreement in South America. The marketplace developments that the agreement

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will enable, including the Lan Chile/American alliance, new entry, and increased Fifth Freedom operations, will have the same competitive effects throughout the region as the U.S.-Netherlands agreement had in Europe.

Thus, U.S. international aviation policy encourages the development and approval of the American/Lan Chile alliance. Approval and immunization of the alliance is the logical next step in the progress of the U.S. open skies policy. Conversely, the denial of antitrust immunity to American and Lan Chile would prevent consummation of their alliance, call into question U.S. commitment to U.S.-Chile open skies, foreclose opportunities to carriers of each country, and deny substantial benefits to the public. This would be a real step backward in attempts to liberalize the U.S.-South America market in general.

C. The Statute And The Department's Consistent Precedents Support Approval Of The Alliance Agreement

In relevant part, the governing statute provides that the Department "shall approve an agreement . . . when the Secretary finds it is not adverse to the public interest and is not in violation of this part." 49 U.S.C. § 41309(b). The Department is required to disapprove an agreement that "substantially reduces or eliminates competition," unless the Department finds that the agreement satisfies a more rigorous

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public interest standard, i.e., that the agreement is "necessary to meet a serious transportation need or to achieve important public benefits (including international comity and foreign policy considerations)," and that "the transportation need cannot be met or those benefits cannot be achieved by reasonably available alternatives that are materially less anticompetitive." Id. § 41309(b)(1)(A), (B).

The American/Lan Chile alliance agreement will further U.S. foreign policy objectives and enhance competition. The alliance also fully meets the public interest test of section 41309(b).

1. The Department's Precedents Support Approval of the American/Lan Chile Alliance

The Department has approved five immunity applications: United/Lufthansa/SAS; Delta/Swissair/Sabena/Austrian; Northwest/KLM; American/Canadian; and United/Air Canada. Uniform, consistent, and fair application of regulatory policy now requires the Department to grant the same authorizations to the joint applicants -- i.e., antitrust immunity -- as has been granted to other alliances. Only by doing so will the Department enable American and Lan Chile to compete fairly in the global marketplace, consistent with the DOT Policy Statement's requirement that "competition is fair and the playing field is level." 60 Fed. Reg. 21841, 21844 (May 3, 1995).

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In 1993, the Department determined that granting antitrust immunity to the Northwest/KLM integration agreement was consistent with the U.S.-Netherlands Air Transport Agreement, even though there was no specific provision in the Netherlands agreement requiring approval. Nonetheless, the Department determined that "denial of antitrust immunity would contravene the spirit of the Accord and be counterproductive to the United States' relations with the Netherlands. . . . [W]e believe that the Netherlands would consider a denial of immunity contrary to the open skies initiative, unless we had a strong basis for a refusal to grant antitrust immunity." Order 93-1-11 (January 15, 1993), at 12. The GAO Report explained the Department's decision thus:

"In approving the Northwest/KLM application for antitrust immunity, DOT emphasized that the grant of such immunity was consistent with the open skies accord. DOT also implied a favorable treatment of future applications by other U.S. and foreign airlines in exchange for liberal aviation accords."

GAO Report, at 52.

The Department's Northwest/KLM approval decision essentially expressed the hope that airline alliances would be the essential means for reaching the end of open skies. More recently, the Department's decision approving and immunizing the Delta/Swissair/Sabena/Austrian combination confirmed the role of alliances as the engine of open skies:

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"Our proposed action in this order is consistent with our approval and grant of antitrust immunity for the alliance between Northwest Airlines and KLM. Our experience with that alliance has demonstrated that such alliances between U.S. and foreign airlines can substantially benefit consumers. The alliance between Northwest and KLM has enabled the two airlines to operate more efficiently, and to provide integrated service in many more markets than either partner could serve individually. As we have also tentatively found with respect to United and Lufthansa, we expect that the alliance between Delta and its partners will provide comparable benefits to consumers."

Order 96-5-26 (May 21, 1996), at 2.

The Department's approval of and grant of antitrust immunity for the Northwest/KLM, United/Lufthansa/SAS, and Delta/Swissair/Sabena/Austrian alliances provided the backdrop for the recently-initialed and historic open skies agreement between the United States and Chile. Disapproval of the American-Lan Chile alliance, or the prevention of its consummation by withholding immunity, however, would undermine the U.S. Government's commitment to open skies and to free and fair international competition and would be fatal to the Department's promise of "comparable opportunities" in exchange for open skies. DOT precedent and policy mandate the approval and immunization of the American/Lan Chile alliance.

2. The Proposed Alliance Will Not Substantially Reduce Or Eliminate Competition

The Department has in past orders examined competition in global markets, U.S.-foreign region, U.S.-foreign

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country, and overlapping city-pairs in determining the effect of a proposed transaction.

a. Global Markets

On a global scale, the American/Lan Chile alliance will have a sweeping, pro-competitive impact by adding an important, vigorous competitor to the growing list of worldwide alliances. In thousands of individual city-pairs served by the alliance, international passengers and cargo shippers will be able to choose between the American/Lan Chile alliance and one or more of the existing global alliances. The impact of this global competition will particularly benefit behind and beyond gateway passengers, who will receive new service, quality, and pricing options driven by competitive forces.

The American/Lan Chile alliance will improve service and competition in the approximately 4,000 city-pairs it can potentially reach, benefiting millions of passengers who travel on the routes the alliance serves. The alliance will maintain and potentially improve service to smaller cities that cannot sustain more frequent nonstop service by one of the parties acting alone. The alliance will also be able to start new service in smaller markets where no nonstop service currently exists. With such new service, the alliance will link more cities by convenient connections than were previously available.

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American and Lan Chile, moreover, will explore and develop efficiencies to provide better service at lower cost by cooperating on their services with the protections afforded by immunity. Such efficiencies can include: offering a greater range of fares on alliance flights than are possible on an interline basis; better yield management inherent in code-sharing versus interline availability; broader and more attractive frequent flyer opportunities; greater aircraft alignment to individual routes; improved aircraft utilization on given routes; cooperation on certain marketing and market research activities to ensure top-quality service; better utilization of ground equipment and assets; and joint purchasing and technology development. The cost savings generated by these efficiencies will inevitably be passed on to customers, as global competition between alliances increases.

b. United States-Latin America

The rapidly expanding market between the United States and Latin America is highly competitive, and the growth of the region along with the advent of open skies agreements between the U.S. and many countries in Latin America is contributing to a surge in traffic and new entries into the market. American currently is the top carrier between the U.S. and Latin America, but faces ever-increasing competition from Continental, United (which is partnered with South America's

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largest airline, VARIG, in the Star Alliance), and Delta, along with numerous Latin American carriers. Furthermore, each of these carriers transports considerably more passengers and is significantly larger than Lan Chile.

An evaluation of the competitive nature of the U.S.-Latin America market and the possible competitive effects of the American/Lan Chile alliance must take into account the swift growth of the market and rapid expansion of American's competitors in the region. The growth and expansion of competition on routes between the United States and Latin America is highlighted by recent announcements and actions of other airlines:

- i. Continental has increased its frequencies between the U.S. and Latin America significantly over the last year, including new service to Brazil and a codeshare arrangement with ACES. Continental, of course, will be instituting U.S.-Chile service next year.

- ii. United has expanded its Latin American service, including new service from Chicago to Guatemala and Sao Paolo, increased service beyond Lima to Santiago, and service to Venezuela. Through its partnership with VARIG, South America's largest airline, United passengers will have on-line service to every major destination in Latin America. As stated in United's press release, "VARIG opens up an entire continent to Star

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Alliance customers." "Global Network Expands to South America As Momentum Builds," United Air Lines Press Release (October 22, 1997).

iii. Delta Airlines began serving Brazil this year and has recently announced plans to cooperate with Aeropostal of Venezuela and, separately, to increase flights to Latin America fivefold in the next four years. "Delta, Aeropostal Sign Agreement to Enhance Relationship in Venezuela," Delta Air Lines Press Release (November 20, 1997). Indeed, Delta has either sought permission or confirmed its plans to institute or increase service to at least 19 Latin American cities in Peru, Chile, Venezuela, Costa Rica, El Salvador, Guatemala, Panama, Argentina, Belize, Colombia, Ecuador, Uruguay, Paraguay, and Bolivia. Delta, which has codeshare agreements with Aeromexico and Transbrasil, also has indicated that it intends to increase its presence in Latin America through partnerships with other Latin American carriers. "Delta Air Lines Sets Latin America Strategy," Delta Air Lines Press Release (December 10, 1997) (quoting Delta President and CEO Leo F. Mullin that "the [Latin American] region is ripe for additional competition").

c. United States-Chile

Balancing the pro-competitive effects of the American/Lan Chile alliance against any potential anticompetitive aspects of the alliance weighs heavily in favor of approval.

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The U.S.-Chile open skies agreement would dramatically improve the competitive situation between the U.S. and Chile, stimulating the entry of new competitors and new traffic, improving the quality of service to points behind Santiago and U.S. gateways, and improving the product offered to U.S.-Chile travelers.

Existing market shares and concentration levels must be significantly discounted as they do not reflect (and will cease to exist in) the environment of free competition that will result from the new agreement. Further, as discussed below, the existing competitive environment surrounding this proposed alliance fits squarely within the competitive template applied by the Department when approving other alliances.

The market between the U.S. and Chile is presently served on a nonstop basis from points in the U.S. by American, Lan Chile, United, and, very soon, Continental. In addition, connecting service is available on a number of airlines (including United's Star Alliance partner, VARIG, Aeromexico (a Delta partner), Mexicana (a United partner), Aeroperu and Aerolineas Argentinas). Together, American and Lan Chile would account for approximately 70% of the nonstop frequencies between the U.S. and Chile under existing bilateral conditions. Following approval of the alliance, however, the U.S.-Chile market will enjoy both more service and more competitors.

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Examining current U.S.-Chile market shares in isolation is misleading. Once the open skies agreement is implemented, increase in service both by existing competitors and new entrants can be expected. The interest of other carriers in entering the market is clear. Delta has stated that it will begin service to Santiago as soon as open skies becomes reality, thereby providing "travelers and shippers unparalleled access to the U.S., Canada and Europe." "Delta Air Lines Supports U.S.-Chile Open Skies Agreement," Delta Air Lines Press Release (October 30, 1997).

The American/Lan Chile alliance is a unique opportunity to effect a drastic increase in competition and levels of service in the U.S.-Chile market, both satisfying Lan Chile's need to effectively connect its passengers throughout the United States and opening Chile to any U.S. airline wishing to compete in that market.

d. City-Pair Overlaps

In prior applications for antitrust immunity, the Department has considered the potential loss of competition in city-pairs in which both (or all) alliance carriers operate aircraft. The American/Lan Chile alliance has only one overlapping nonstop U.S.-Chile city-pair: Miami-Santiago. This route is also served nonstop by United. However, it would be inappropriate to evaluate the Miami-Santiago nonstop market

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without accounting for the impact of the resulting open skies accord between the U.S. and Chile.

Indeed, the American/Lan Chile alliance will remain disciplined in the Miami-Santiago market by a number of competitive alternatives. For purely local traffic, United will remain a strong competitor which, with the advent of open skies, will be free to increase its capacity (both in terms of frequency and equipment size) in the market. In addition, open skies is likely to result in the entry of other competitors in the Miami-Santiago market. Further, one-stop service to Santiago from Miami is available on a variety of Latin American carriers.

In addition, more than 56% of American's traffic on Miami-Santiago nonstops is behind-Miami connecting traffic from throughout the United States. The American/Lan Chile alliance will likely face strong new competition for this traffic from other U.S. carriers' hubs such as Delta from Atlanta, Cincinnati, and New York (JFK), Continental from Houston and Newark, and United from Chicago and the West Coast. Indeed, Delta has already indicated its interest in instituting service to Santiago from its planned Latin American gateway in Atlanta. Continental, already a strong competitor in Latin America, will enter the New York-Chile market early next year and will surely use that service as a stepping-stone to expanded U.S.-Chile

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service in the future. For behind-Miami connecting traffic, the American/Lan Chile Miami-Santiago service will compete directly with Santiago flights from the gateway hubs of other U.S. competitors, as well as one-stop service provided by other Latin American carriers such as VARIG and Aeromexico.

Importantly, the single overlapping U.S.-Chile route in the American/Lan Chile alliance has a powerful, major competitor: United. This overlap situation, therefore, is much less troubling than overlapping routes that were part of alliances that have already received immunity. For instance, the Department immunized the Northwest/KLM alliance even though the Detroit-Amsterdam and Minneapolis-Amsterdam would be served only by the immunized Northwest/KLM alliance, with no likelihood of entry by another competitor. Order 92-11-27 (November 16, 1992), at 16. The Delta/Swissair/Sabena/Austrian alliance received antitrust immunity with respect to two city-pair routes where there was no competing nonstop service (New York-Geneva and New York-Vienna). Order 96-6-33 (June 17, 1996), at 10.

3. The Joint Application Meets The Department's Standards For Grant Of Antitrust Immunity

The Department has the discretion to grant antitrust immunity to agreements approved under 49 U.S.C. § 41309 if it finds that immunity is required by the public interest. The

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Department's established policy is to grant antitrust immunity with respect to agreements that will not substantially reduce or eliminate competition if antitrust immunity is required in the public interest and the parties will not proceed with the transaction absent antitrust immunity. See Order 92-11-27 (November 16, 1992), at 18; Order 93-1-11 (January 15, 1993), at 11; Order 96-5-12 (May 9, 1996), at 15-16; Order 96-5-26 (May 21, 1996), at 17.

a. Grant Of Antitrust Immunity Is Required In The Public Interest

The alliance agreement between American and Lan Chile will allow the carriers to capture the synergies of their respective route networks, establish a seamless air transport system through network coordination, achieve competitive economies of scale, and greatly enhance competition with other alliances. These benefits will result in lower costs, enabling the joint applicants to serve more efficiently thousands of city-pairs, and provide the public with greater service options at a lower cost. The American/Lan Chile alliance also will allow the joint applicants to develop mechanisms to enhance efficiencies, reduce costs, and provide better service to the traveling and shipping public in the following illustrative ways:

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1. Increased Frequencies and Enhanced On-Line Service. The coordination of the schedules of the alliance carriers will generate greater levels of traffic support. By coordinating the flights of the two carriers, the alliance will potentially link American's network serving 225 cities with Lan Chile's network serving 37 cities, with the potential to offer on-line service to about 4,000 city-pairs worldwide. Such service enhancements and expanded on-line service options can only be accomplished on an efficient basis through coordination of schedules, combined network planning, and coordinated yield management.

2. Expanded and Improved Service in Behind-Gateway Markets. The creation of joint services having a common financial objective is essential to the alliance carriers' ability to expand on-line service, particularly in behind and beyond gateway markets. The establishment of service with a common financial bottom line, involving joint or coordinated marketing, sales, pricing, yield management, and the allocation of revenues and earnings, cannot be accomplished without antitrust immunity.

The GAO Report on airline alliances concluded that "[w]ith immunity, Northwest and KLM can develop formulas to set fares in all markets and, according to Northwest and KLM representatives, quickly enact fare reductions to attract

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traffic." GAO Report, at 29. The GAO further observed that "[w]ithout immunity, airlines that are significant competitors cannot discuss pricing issues and must develop prorated agreements in 'arm's length' negotiations to divide revenues, a cumbersome process when thousands of city-pairs are involved." Id. Antitrust immunity will permit American and Lan Chile to negotiate prorates, divide revenues, and gain access to each other's behind-gateway city-pairs.

3. Coordinated Networks and Transcontinental Segments. An immunized alliance will be able to offer a greater variety of U.S.-Chile and other services. The alliance will be able to coordinate the respective networks of the applicant carriers to achieve more efficient service and maximize service options. In the absence of immunity, the alliance would not proceed and the carriers would have to schedule their services independently to maximize their own individual positions.

In addition, coordinated scheduling will allow for a greater variety of behind-gateway services. For example, assume that American and Lan Chile each serves a third country and schedules its flights to arrive at that country at about the same highly desirable peak hour. Passengers have a redundant and, therefore, limited choice. By contrast, if the carriers have the (immunized) ability to coordinate their

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services, the carriers can revise and add to their schedules to provide different arrival and departure times, thereby giving the passengers a broader choice. In the absence of antitrust immunity, however, such an arrangement would expose the carriers to an unacceptable risk of antitrust challenge.

4. Expansion of Discount Fares. Currently, each carrier offers deep discount on-line fares that are only available for travel on that carrier's system. A common alliance financial strategy will enable American and Lan Chile to expand the availability of such deep-discount fares to cover their entire combined networks.

5. Inventory Control. The coordinated alliance can develop uniform and coordinated control of seat inventory to maximize management of capacity, thereby increasing utilization and efficiency and reducing costs for the benefit of the traveling and shipping public. By having yield management access to a larger part of the overall market, i.e., by managing yield using information from both carriers' systems, American and Lan Chile hope not only to optimize revenues, but also to provide greater consumer benefits. For example, a greater number of lower fare or discount seats will become available sooner as American and Lan Chile will be able to more accurately predict demand and will no longer need to over-protect higher fare classes. In addition, this consultative

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yield management process will facilitate more accurate overbooking practices, reducing the chance that a passenger will be unable to travel on the flight desired.

6. Reduced Sales, Marketing, and Reservations Costs.

The alliance will permit the carriers to minimize costs and maximize economic efficiencies by coordinating sales, marketing, reservations, and airport services.

7. More Effective Equipment Utilization. The

alliance will permit the carriers to maximize utilization of their aircraft. By coordinating their services, the alliance carriers will be able to optimize the use of larger aircraft on routes where demand is higher and utilize smaller aircraft on more thinly traveled routes.

b. The Joint Applicants Will Not Proceed With Their Alliance Without Antitrust Immunity

American and Lan Chile categorically state, and their agreement expressly provides, that they will not and cannot carry out the collaboration and coordination contemplated by their alliance agreement in the absence of antitrust immunity.⁷

The joint applicants firmly believe that the cooperative arrangements contemplated by their agreement will create consumer service enhancements and generate efficiencies that

⁷ See Ex. JA-1, at 3.

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could not be achieved in the absence of the agreement. The comprehensive cooperation envisioned, however, could give rise to possible antitrust challenges, and the threat of expensive and protracted antitrust litigation makes the alliance agreement impossible absent immunity. Indeed, given the rhetoric that other U.S. carriers have generated in response to Lan Chile and American's codeshare-related applications (Docket OST-97-2982) and elsewhere, it is safe to say that those carriers would be quick to attack any extensive cooperative operations by Lan Chile and American on antitrust grounds. No matter how lacking in merit those attacks would be, the expense and disruption inherent in defending against such attacks are, in and of themselves, sufficient to prevent Lan Chile and American from proceeding with their plans absent immunity.

The Department has acknowledged that, without antitrust immunity, airlines may be prevented from forming alliances which offer significant competitive and efficiency benefits. See Order 96-5-26 (May 21, 1996), at 28 (Delta/Swissair/Sabena/Austrian) ("the potential antitrust liability for an agreement of this volume may deter the applicants from integrating their services as intended by the Alliance Agreements unless they have antitrust immunity"); Order 96-5-12 (May 9, 1996), at 26 (United/Lufthansa) ("since the applicants will be ending their competitive service in some markets, they could

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be exposed to liability under the antitrust laws if we did not grant immunity"); GAO Report, at 30 ("the key benefit of immunity . . . is the protection from legal challenge by other airlines," thereby allowing the participants "to more closely integrate their operations and marketing than they otherwise would for fear of legal reprisal").

In short, the extensive discussions and coordination necessary to achieve the objectives of the alliance agreement will not occur without antitrust immunity. The alliance agreement is expressly predicated on antitrust immunity and, even if it were not, the joint applicants would not risk antitrust attacks by proceeding absent immunity.

c. The Approval Of And Grant Of Immunity For The Alliance Agreement Will Accelerate Liberalization Of The International Marketplace

The Department has recognized the link between the open skies policy and grants of antitrust immunity for alliance agreements:

"Where the overall net effect of a particular transaction for which immunity is sought is procompetitive and proconsumer, there may be important benefits to be gained from granting immunity in appropriate cases. The existence of an 'open skies' environment, and the elimination of other competitive restrictions, would be key factors in any consideration of a request for immunity."

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Statement of Secretary Pena before the Senate Committee on Commerce, Science, and Transportation, at 13-14 (July 11, 1995).

Antitrust immunity is a powerful strategic negotiating tool to encourage foreign governments to eliminate restrictions on U.S. airlines. Approval of and antitrust immunity for the American/Lan Chile agreement will accelerate the U.S. Government's ability to achieve liberal open skies agreements with other countries in South America -- including those with currently restrictive aviation policies -- so that "comparable opportunities" may become available to other U.S. carriers in the context of a broadly liberalized international marketplace. See Order 92-11-27 (November 16, 1992), at 14. Indeed, open skies with Chile can serve as the catalyst for open skies throughout South America.

Real competitive pressure in the marketplace is required to expedite reform of restrictive aviation policies. The United States has tentatively achieved an historic open skies agreement with the Chile, following similar achievements with a number of countries in Europe, Central America, and Asia. Approval of the alliance agreement coupled with anti-trust immunity will create a further competitive prod, encouraging recalcitrant aviation authorities to open their markets so that their carriers and public also may enjoy the benefits

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of global service networks. As the GAO Report pointed out, "antitrust immunity could be a powerful incentive for governments -- which are often seeking to benefit one national flag carrier -- to eliminate their restrictions on U.S. airlines." GAO Report, at 54.

Several years ago, the Department predicted that the open skies agreement between the U.S. and the Netherlands would "encourage other . . . countries to agree to liberalize their aviation services so that comparable opportunities may become available to other U.S. carriers." Order 92-11-27 (November 16, 1992), at 14. The success of the Northwest/KLM alliance encouraged other countries, including Germany, Switzerland, and others, to move toward open skies accords with the United States. Approval of the American/Lan Chile alliance will increase the pressure on governments in Latin America to join the U.S.-led impetus toward liberalization of the international air transport marketplace.

IV. OTHER APPROVAL ISSUES

A. CRS

Consistent with the Department's decision in Northwest/KLM, the grant of antitrust immunity here should also cover the coordination of (1) the presentation and sale of the carriers' airline services in CRSs, and (2) the operations of

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their respective internal reservations systems. In the Northwest/KLM approval, the Department determined that, while the coordination of CRS activities could arguably reduce competition, the competitive concern was not so significant as to outweigh the justification for grant of antitrust immunity. The same conclusion applies with equal force here. Order 93-1-11 (January 15, 1993), at 15; see also Order 96-5-27 (May 21, 1996), at 22; Order 96-6-33 (June 17, 1996), at 22.

B. Duration Of Approval

The Joint Applicants request that the Department grant the requested approval and immunity for a five-year term, consistent with the duration of approvals granted to Northwest/KLM, Order 93-1-11 (January 15, 1993); United/Lufthansa, Order 96-5-27 (May 21, 1996); Delta/Swissair/ Sabena/Austrian, Order 96-6-33 (June 17, 1996); American/ Canadian, Order 96-7-21 (July 16, 1996); and United/Lufthansa/SAS, Order 96-11-1 (November 1, 1996). As the Department concluded in Northwest/KLM, "a shorter term may not allow the full effect of the implementation of the Agreement to become apparent. Furthermore, section 414 [now 49 U.S.C. § 41308] does not require us to review the implementation of the Agreement within a shorter period of time." Order 93-1-11 (January 15, 1996), at 16.

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V. RESPONSE TO ADDITIONAL INFORMATION REQUIREMENTS

In order to expedite the Department's review of the American/Lan Chile application, we are submitting the following information modeled after the evidence request provided by the Department's staff in the American/British Airways immunity proceeding (Docket OST-97-2058).

(1) Complete copies of all agreements, including marketing and any other cooperative agreements between the parties.

The alliance agreement is submitted as Exhibit JA-1. The American-Lan Chile codeshare agreement was filed and served with the parties' joint application for statements of authorization on October 7, 1997. Other agreements are being submitted under a Rule 39 motion for confidential treatment.

(2) Separate description of each party's strategic objectives in forming the alliance agreement(s).

American. By extending its network through an alliance agreement with Lan Chile, American seeks to increase its passenger and cargo revenues by capturing additional traffic on (1) U.S.-Chile O&D on-line routes, (2) the U.S. domestic segments of routes between the U.S. and points beyond the Chile served by Lan Chile, (3) U.S.-third country routes served by American.

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Lan Chile. Lan Chile has entered into the proposed alliance in order to enhance its ability to compete effectively in U.S. and international markets where global alliances have become a pervasive competitive force.

Even under open skies, Lan Chile could not economically provide service to many more U.S. points than it already serves, as most U.S. domestic points cannot support direct services to Chile. Since non-U.S. carriers are precluded from the domestic market, Lan Chile sought a strong U.S. partner with an extensive domestic network in order to remain competitive for traffic between the U.S. and Chile and between the U.S. and South America. Lan Chile's need for a strong U.S. partner is heightened by the fact that Lan Chile is a relatively small carrier when compared to other major carriers in the U.S.-South America market, such as United, Continental, Delta, VARIG, and others.

Lan Chile needs broad access to a substantial complex of U.S.-carrier flights that connect at Miami, Lan Chile's principal gateway and the critical gateway to the United States from Latin America. American's network of Miami-connecting flights represents the best opportunity for Lan Chile to provide passengers and shippers with new and convenient on-line connecting services to interior U.S. points such as Atlanta, Boston, Chicago, Denver, Philadelphia, Washington, and many

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other cities. In addition, American offers a second southern gateway with further connecting opportunities at Dallas/Fort Worth. The combination of Lan Chile and American is a particularly good fit, involving largely complementary end-to-end services, with only one overlapping U.S.-Chile nonstop route. Lan Chile also anticipates that, by combining marketing capabilities and distribution networks, Lan Chile and American will be able to operate new nonstop services on many routes which, until now, could not sustain profitable service.

Lan Chile also anticipates that it will accrue substantial efficiency benefits from the alliance. The synergy of Lan Chile's and American's systems will enable both carriers to reduce costs and pass savings on to travelers and shippers. Specifically, the joint applicants intend to:

- make joint decisions on scheduling to match capacity and demand more effectively and use assets more intensively;
- jointly manage inventory to achieve more accurate demand forecasts, thereby increasing efficiency and enabling Lan Chile and American to offer more discount fares;
- engage in joint purchasing to achieve scale economies that may reduce key operational expenses, including aircraft fuel and catering;

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- use airport personnel and facilities more efficiently to yield lower unit costs; and
- jointly develop large-scale information systems that will reduce costs and provide travelers and shippers with better quality, more competitively priced service.

(3) All studies, reports, and analyses that discuss route development, internal expansion, service expansion, or marketing plans or strategies, concerning air services between the U.S. and Chile and air services behind and beyond the U.S. and Chile.

The requested documents are being submitted separately by American and Lan Chile, accompanied by a joint motion for confidential treatment under 14 C.F.R. § 302.39.

(4) All corporate documents, dated or produced within the last two years, that address in whole or in part the subject of competition (or lack of competition or any impediments or restrictions on competition) in air travel between the U.S. and Chile and/or any points within those countries, as well as air travel beyond Chile from the U.S. The documents requested include (but are not limited to) all documents reflecting communications between Lan Chile and any U.S. air carrier relating to such competition.

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The requested documents are being submitted separately by American, accompanied by a joint motion for confidential treatment under 14 C.F.R. § 302.39. The relevant Lan Chile documents are referenced at items (3), supra, and (7), infra.

(5) All studies, reports, or analyses that were prepared by or submitted to either or of the joint applicants' senior corporate officers, staff, or directors, or any financial institution regarding the proposed relationship.

The requested documents are being filed separately by American, accompanied by a joint motion for confidential treatment under 14 C.F.R. § 302.39. The relevant Lan Chile documents are referenced at item (7), infra.

(6) All documents reflecting any consideration (whether or not already acted upon) by either of the Joint Applicants to seek additional immunized international alliances (other than that between the Joint Applicants) contemporaneous or subsequent to the present alliance.

The requested documents are being filed separately by American, accompanied by a joint motion for confidential treatment under 14 C.F.R. § 302.39. Lan Chile has no such documents.

(7) All studies, surveys, analyzes, and reports, dated or produced within the last two years, that were prepared by or for any officer, director, or individual exercising

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similar functions which, in whole or in part, address, evaluate, or analyze the proposed alliance with respect to market shares, competition, competitors, markets, potential for traffic growth or expansion into geographic markets. (If not contained in the document itself, the date of preparation and the name and title of each individual who prepared each such document should be included).

The requested documents are being submitted separately by American and Lan Chile, accompanied by a joint motion for confidential treatment under 14 C.F.R. § 302.39.

(8) All documents that discuss any service or operational changes anticipated at American's hub airports, stemming from the agreement(s), including JFK International Airport.

The requested documents are being submitted separately by American and Lan Chile, accompanied by a joint motion for confidential treatment under 14 C.F.R. § 302.39.

(9) A list of all routes that each of the parties is currently serving, and of routes each would serve if the agreement(s) are approved. Additionally, fully identify all of the parties' current code-share/alliance arrangements and their route systems.

This information is provided in Exhibit JA-2 (for American) and Exhibit JA-3 (for Lan Chile).

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(10) List of all "overlap" markets now existing between American and Lan Chile. This list is not limited to markets where American and Lan Chile compete with nonstop services. Rather it should include markets where these carriers compete on a connecting basis, either true on-line connections, or in combination with code-share or marketing partners. For connecting markets, include all markets served with code-share or marketing partners whether or not the passengers moved under a single code, otherwise shared codes, or on a purely interline basis.

This information is provided in Exhibit JA-4.

(11) A detailed discussion of the anticipated integration of the Joint Applicants' operations, including domestic, transatlantic, and other international routes. The Joint Applicants should include in this discussion a description of other existing code-share/alliance or marketing arrangements and the markets served by these other arrangements.

See section II, supra, for a discussion of the anticipated coordination of the parties' operations and services.

American

American has existing codesharing/alliance or marketing arrangements with the following carriers in addition to the proposed alliance with Lan Chile:

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1. British Midland

British Midland holds statements of authorization to place the "AA" code on its London-Amsterdam/Brussels/Glasgow flights; on its London-Paris/Nice/Frankfurt flights; on its London-Belfast/Edinburgh/Leeds/Teesside flights; and on its London-Zurich flights. The American/British Midland code-sharing program began in 1993. In light of the absence of a bilateral agreement between the United States and France, American has been unable to codeshare with British Midland to Paris and Nice.

2. South African Airways

South African Airways holds a statement of authorization to place the "AA" code on its New York/Miami-Johannesburg/Cape Town flights. American holds a statement of authorization to place the "SA" code on flights operated by American or American Eagle between Miami and 19 U.S. points, and between New York (JFK) and 13 U.S. points. The American/SAA code-sharing program began in 1992.

3. Gulf Air

Gulf Air holds a statement of authorization to place the "AA" code on its service from London to Gulf points. The American/ Gulf Air codesharing program began in 1994.

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4. Qantas

Qantas holds a statement of authorization to place the "AA" code on its Los Angeles-Sydney and Los Angeles-Auckland/Melbourne flights. American holds a statement of authorization to place the "QF" code on its flights beyond Los Angeles to New York, Boston, Washington, Chicago, Dallas/Ft. Worth, and Miami. The American/Qantas codesharing program began in 1989.

5. China Airlines

American and China Airlines hold statements of authorization for reciprocal codesharing ("AA" on Los Angeles/San Francisco-Taipei; "CI" on Los Angeles/San Francisco-Dallas/Ft. Worth/New York (JFK)/Miami/Chicago and Los Angeles-Washington (Dulles)). The American/China Airlines passenger codesharing program began in 1997. In addition, China Airlines holds a statement of authorization to place the "AA" code on its U.S.-Taiwan flights for cargo only; that program began in 1994.

6. Kuwait Airways

Kuwait Airways holds a statement of authorization to place the "AA" code on its New York-Kuwait flights (via London and Frankfurt) for cargo only. The American/Kuwait codesharing program began in 1996.

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7. LOT Polish Airlines

LOT Polish Airlines holds a statement of authorization to place the "AA" code on its Chicago-Warsaw and New York-Warsaw flights. American holds a statement of authorization to place the "LO" code on its Chicago-Los Angeles and New York-Miami flights. The American/LOT codesharing program began in 1996.

8. Singapore Airlines

Singapore Airlines holds a statement of authorization to place the "AA" code on its Los Angeles-Singapore (via Taipei) and San Francisco-Singapore (via Seoul) flights. American holds a statement of authorization to place the "SQ" code on American's Los Angeles-Chicago and San Francisco-Chicago flights. The American/Singapore codesharing program began in 1996.

9. Canadian Airlines International

American and Canadian Airlines International (and their respective subsidiaries) have an alliance agreement that was approved and granted antitrust immunity by Order 96-7-21 (July 15, 1996). Canadian holds a statement of authorization to place the "AA" on its flights throughout Canada, and American holds a statement of authorization to place the "CP" code on its flights throughout the United States, subject to the phase-in limitations for Vancouver, Montreal, and Toronto under

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the United States-Canada Air Transport Agreement. In addition, Canadian holds a statement of authorization to place the "AA" code on its Vancouver-Taipei flights for passengers originating or terminating in the United States, and American holds statements of authorization (for passengers originating or terminating in Canada) to place the "CP" code on its Los Angeles-Guadalajara and Chicago-Birmingham/Manchester (U.K.) flights; on all flights operated by American or American Eagle between points in the United States and Belize City, San Jose, San Salvador, San Pedro Sula, Tegucigalpa, Guatemala City, Managua, Panama City, Santo Domingo, Puerto Plata, La Romana, Aruba, Curacao, St. Maarten, Providenciales, Guayaquil, Quito, Lima, La Paz, and Santa Cruz. The American/Canadian codesharing program began in 1995.

10. TAM (Brazil)

American and TAM hold statements of authorization for reciprocal codesharing ("AA" on flights operated by TAM between Sao Paolo and Miami/Chicago/New York; between Rio de Janeiro and Miami/Chicago/New York; and between Sao Paolo and 18 points in Brazil; "JJ" on flights operated by American between Dallas/Ft. Worth and Sao Paolo/Rio de Janeiro; between Miami and three U.S. points; between New York (JFK) and two U.S. points; between Dallas/Ft. Worth and 20 U.S. points; and between

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Chicago and five U.S. points). The American/TAM codesharing program began in 1997.

11. TAM-Mercosur (Paraguay)

TAM-Mercosur (Paraguay) holds a statement of authorization to display the "AA" designator code on flights operated by TAM-Mercosur between Miami and Asuncion. This program began in 1997.

12. Aero California (Mexico)

American and Aero California (Mexico) hold statements of authorization for reciprocal codesharing ("AA" on Los Angeles/Dallas/Ft. Worth/Tucson/San Francisco-Mexico transborder flights and Mexico City/Guadalajara/San Jose del Cabo, Monterrey, and Hermosillo-Mexican point flights operated by Aero California; "JR" on Dallas/Ft. Worth-Puerto Vallarta and Dallas/Ft. Worth/San Francisco/Los Angeles-U.S. point flights operated by American). The American/Aero California codesharing program began in 1997.

Lan Chile

Lan Chile has the following existing codeshare arrangements with other carriers:

1. Air New Zealand

Lan Chile has a codeshare/blocked space arrangement with Air New Zealand, which primarily involves a Santiago-Auckland connecting service. Lan Chile's code is placed on Air

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New Zealand flights between Auckland and Papeete. Air New Zealand's code is placed on Lan Chile's Papeete-Easter Island-Santiago flights. This operation began in July 1996 and currently involves one flight per week. Lan Chile and Air New Zealand also have a reciprocal frequent flyer program agreement.

2. Tranportes Aereos del Mercosur of Paraguay

Lan Chile has a codeshare/blocked space arrangement with TAM of Paraguay. Lan Chile's code is placed on TAM's flights between Santiago and Asuncion (four flights per week) and on TAM's flights between Iquique and Asuncion (three flights per week). These operations commenced in August 1997.

(12) A comparison of the parties' current schedules before and after implementation of the arrangement.

The parties have not yet finalized any schedule changes to be made after implementation of the proposed alliance. The parties may adjust their schedules in the future depending on market conditions and opportunities presented by the competitive environment.

(13) Identification of other U.S. and foreign airline services at American's U.S. hub airports and JFK International Airport.

This information is provided in Exhibit JA-5.

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(14) A discussion of the level of service that the parties intend to provide in the U.S.-Chile marketplace (including behind- and beyond-gateway markets).

See supra, item (12).

(15) A discussion of significant service and equipment changes that the parties would expect to make within two years of DOT approval of the proposed alliance.

At the present time, American and Lan Chile do not anticipate any significant service or equipment changes as a result of the alliance. The parties may make both service and equipment changes in the future for commercial or economic reasons, or to the extent that regulatory requirements necessitate such changes.

(16) Analysis of how much traffic each alliance partner carries in each "overlap" market (specifically, differentiate between true on-line passengers, code-share passengers, interline passengers with code-share or marketing alliance partners, and other interline passengers).

This information is provided in confidential Exhibit JA-6 (American) and confidential Exhibit JA-7 (for Lan Chile), being submitted separately and accompanied by a joint motion for confidential treatment under 14 C.F.R. § 302.39.

(17) Origin-Destination Survey of Airline Passenger Traffic data for 1996 for the top 25 Lan Chile markets that

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involve a U.S. passenger origin, destination, or connecting point.

This information is provided in confidential Exhibit JA-8, being submitted separately by American and accompanied by a joint motion for confidential treatment under 14 C.F.R. § 302.39.

(18) All current marketing arrangements between the parties and other airlines, and all such arrangements which the parties are in any way contemplating or considering for the future.

See supra, item (11).

Lan Chile has signed a preliminary memorandum of understanding with Canadian Airlines International that contemplates that the two carriers will enter into agreements for reciprocal codesharing operations and frequent flyer participation. Subject to the negotiation of a definitive agreement and receipt of regulatory approvals, the carriers expect initially to provide connecting codeshare services between Vancouver and Santiago (connecting at Los Angeles) and between Toronto and Santiago (connecting at Buenos Aires or Miami). Lan Chile does not contemplate combining the proposed transaction with American with any other arrangement involving any other carrier.

American has also entered into codesharing arrangements -- submitted to the Department for regulatory approval

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and currently pending -- with El Al, Transaero, the TACA Group, British Airways, Avianca, Philippine Airlines, Asiana, Iberia, and Air Liberte. American does not contemplate combining the proposed transaction with Lan Chile with any other arrangement involving any other carrier.

(19) A discussion of Lan Chile's alliances with other U.S. and non-U.S. airlines. Provide copies of these agreements (with translations where necessary). Describe how these services have been or will be integrated. Describe how operations under the American/Lan Chile alliance will be integrated with other American/Lan Chile code-share/alliance arrangements and partners.

Lan Chile's existing and planned joint operations with other carriers are discussed in items (11) and (18), supra. Copies of the relevant existing agreements will be submitted separately by Lan Chile, accompanied by a joint motion for confidential treatment under 14 C.F.R. § 302.39.

It is not anticipated that Lan Chile's proposed alliance with American will result in immediate or fundamental changes to Lan Chile's existing codeshare arrangements, and Lan Chile expects these arrangements to continue in existence.

(20) A discussion of whether and how the transaction is consistent with the public interest, and what public benefits are expected to result from the transaction.

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See supra, at 16-19, 34-38.

(21) A discussion of how the transaction affects important international aviation policy objectives of the United States.

See supra, at 19-22.

(22) A discussion of the transaction's impact on both U.S. domestic and international airline competition.

First and foremost, the implementation of the alliance presumes the effectiveness of an open skies agreement, an historic development that will dramatically transform the U.S.-Chile market into the most competitive market between North and South America. The alliance will enable both American and Lan Chile to achieve new efficiencies that would otherwise be unattainable. By improving the joint applicants' cost structures and stimulating more productive use of their resources, the alliance will enable American and Lan Chile to offer passengers and shippers a wider range of better quality service at a more competitive price. These synergistic benefits will accrue in both domestic and international markets.

Internationally, efficient cooperation will enable American and Lan Chile both to compete more effectively with other alliances and with other large carriers and to establish new on-line service in many city-pairs. The addition of new international service has an exponentially beneficial impact on

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the domestic market because it stimulates demand for new, convenient connecting service linking passengers to new international service. The alliance also will enable American and Lan Chile to transform interline traffic into on-line traffic, offering coordinated, faster, and more convenient connections. Thus, the international and domestic benefits of the alliance are inextricably intertwined.

In addition to increasing demand by offering travelers and shippers more service options, the alliance also will bolster competition by creating a new competitor for the larger, established alliances. In short, the alliance will improve the quality and diversity of service while increasing competition.

(23) Forecast information concerning any traffic diversion anticipated from U.S. flag carriers should the application be approved.

The parties have not previously prepared any forecasts of traffic diversion from U.S.-flag carriers resulting from the alliance. Such forecasts would not be reliable, in any event, because of the absence of historical data on an open skies U.S.-Chile market. We anticipate that the open skies regime in the U.S.-Chile market will result in substantial traffic growth in the market.

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(24) All information describing the extent to which airport facilities, including, but not limited to, gates, counter space, and ground-handling, are or will be made available to any U.S. airlines desiring to begin or increase service at Chilean airports.

To the best of the joint applicants' knowledge, airport facilities at Santiago's Arturo Merino Benitez (AMB) Airport are available and sufficient for current and increased use by U.S. and other carriers. There is no shortage of departure and arrival "slots" at AMB. Looking to the future, the Chilean Government recently awarded a concession for significant expansion of the airport terminal, which should be completed by May 2001. The expanded terminal will have 17 boarding bridges as compared with the existing four bridges. This project will result in an increase of terminal capacity to 90,000 square meters (from 40,000) and the ability to handle nine million combined domestic and international passengers per year (an increase from 4.5 million).

(25) A description of the impact that implementation of the proposed alliance agreements(s) would have on American's operating revenue, and on its operating and net profit and loss results.

The American/Lan Chile alliance forms an important part of American's global strategy. Although additional

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revenues and profits generated as a result of the alliance agreement cannot be precisely quantified, the alliance is of substantial strategic and financial importance to American in keeping pace with similar global alliances that the Department has approved and immunized.

(26) A discussion of the degree to which a grant of the application would or should affect Lan Chile's participation in IATA, especially price coordination.

Lan Chile plans no changes in its participation in International Air Transport Association (IATA) tariff coordination activities, subject to any requirements imposed by DOT order.

(27) A discussion as to any labor issues that may result from the transaction, and whether, how and to what extent employees of the applicant airlines will be integrated. In particular, state whether the transaction or this type of transaction was the subject of recent collective bargaining between American and any of its unions and the nature of such discussions. Discuss whether American's unionized employees adversely affected by the agreement would be compensated or protected by a collective bargaining agreement and whether adversely affected non-unionized employees would be compensated pursuant to separate arrangement(s).

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American believes that the transaction raises no significant labor issues. American and Lan Chile will remain independent, with neither having the ability to control the other. No significant impact on unionized employees is anticipated under the agreement. American and Lan Chile believe that the long-term impact of the transaction will be positive for all existing employees and for new job creation.

(28) Describe any effect of granting the application on the U.S. applicant's Civil Reserve Air Fleet (CRAF) commitments.


The American/Lan Chile alliance will have no impact on American's CRAF commitments.

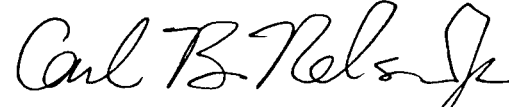
VI. CONCLUSION


For the foregoing reasons, American and Lan Chile urge the Department to approve, on an expedited basis, their alliance agreement under 49 U.S.C. section 41309, and to grant discretionary antitrust immunity to the agreement under 49 U.S.C. section 41308.


Joint Application of American Airlines, Inc. and Lan Chile

Respectfully submitted,


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December 23, 1997

CERTIFICATE OF SERVICE

I hereby certify that on this 23rd day of December, 1997, I caused a copy of the foregoing Joint Application to be served by first class mail, postage prepaid, upon the following persons:

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David Heffernan

American-Lan Chile Joint Application for Antitrust Immunity

Table of Contents

Exhibit	Title
JA-1	The Alliance Agreement
JA-2	American Airlines Timetable
JA-3	Lan Chile Timetable
JA-4	American-Lan Chile Overlap City-Pairs
JA-5	Airlines with International Service at American's Key Airports
JA-6	Traffic Carried by American in Overlap Markets
JA-7	Traffic Carried by Lan Chile in Overlap Markets
JA-8	Total Origin and Destination Traffic for all carriers in Lan Chile's 25 Largest Routes Having a US Endpoint
JA-9	The American-Lan Chile Alliance Will Create New Online Service in 863 Markets via Miami
JA-10	The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

AGREEMENT

This Agreement (this "**Agreement**") is made and entered into as of the 5th day of September, 1997 by and between Línea Aérea Nacional de Chile S.A., a company organized under the laws of Chile ("**LanChile**"), and American Airlines, Inc., a Delaware corporation ("**American**").

RECITALS

WHEREAS, LanChile and American each provide air transportation services and seek to attain the highest standards of quality service and value for the benefit of the traveling and shipping public;

WHEREAS, LanChile and American desire to offer customers a wider choice of air transportation options at competitive prices, to optimize the use of aircraft capacity and ground facilities, and to provide coordinated scheduling and seamless coordinated services for international travelers in order to increase the use of those services by the traveling and shipping public; and

WHEREAS, LanChile and American intend to implement and perform the activities contemplated by this Agreement in conformity with applicable laws and regulations and to seek Antitrust Immunity, without which the Parties will not proceed with certain activities hereby contemplated.

NOW, THEREFORE, in consideration of the mutual agreements contained herein, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. DEFINITIONS

- 1.1 Terms with their initial letters capitalized (or otherwise defined) will have the meanings ascribed to them in Schedule 1 or where otherwise defined in this Agreement.

2. SCOPE

- 2.1 Subject to the terms and conditions of this Agreement, American and LanChile desire (a) to compete effectively, on a worldwide basis; and (b) to establish marketing and operational synergies worldwide.
- 2.2 In this regard, the Parties will enter into the Related Agreements, substantially in the form of agreements as set forth in Annexes A and B (along with any other agreements as mutually agreed by the Parties) in order that they may:

- (a) codeshare on (i) flights operated by each other between gateway points in the United States and Chile, (ii) flights operated by American between its U.S. gateway points and selected other U.S. points, (iii) flights operated by LanChile between Chilean gateway points and selected other points in Chile, and (iv) flights via and to points in third countries, including points beyond the United States and Chile in accordance with the Codeshare Agreement, substantially in the form set forth in Annex A;
- (b) coordinate their respective frequent flyer programs so that passengers will be able to accrue mileage credit and redeem travel awards in either Party's program for all flights on each Party's system in accordance with the Frequent Flyer Agreements, substantially in the forms set forth in Attachments 1 and 2 of Annex B;
- (c) cooperate in marketing, selling and providing cargo transportation in the U.S.-Chile market and other markets; and
- (d) participate in other joint and coordinated activities as may be agreed by the Parties, including, but not limited to:
 - (i) marketing and advertising of the activities contemplated in this Agreement;
 - (ii) cooperating in the sale and distribution of the Codeshared Flights and cargo services;
 - (iii) coordinating flight schedules in selected markets of the Codeshared Flights;
 - (iv) cooperating in pricing strategies, including fares and fare categories;
 - (v) cooperating in the control of inventories and yield management functions relating to the Codeshared Flights;
 - (vi) cooperating in determining travel agency commission levels and override and incentive programs relating to the Codeshared Flights;
 - (vii) harmonizing service and product standards in order to provide a seamless product to Codeshared Passengers;

- (viii) reducing costs and redundancies through coordinated or joint purchase of goods and services from third-party suppliers and vendors;
- (ix) cooperating on the methodology for the allocation of revenue from Codeshared Flights, including, if mutually agreed, the pooling or sharing of revenue, and optimizing pricing opportunities in the U.S.-Chile markets; and
- (x) participating in any other joint and coordinated activities as may be agreed between the Parties in connection with the activities contemplated herein.

3. GOVERNMENTAL APPROVALS AND ANTITRUST IMMUNITY

- 3.1 Each Party will cooperate fully with the other and will use its commercially reasonable efforts to apply for and obtain, in a timely manner, all Governmental Approvals required in connection with the transactions contemplated in this Agreement and the Related Agreements. The Parties acknowledge that certain of the transactions contemplated in this Agreement and the Related Agreements are subject to the jurisdiction of and review by Competent Authorities, including, without limitation, the United States Department of Transportation and the Comisión Antimonopolio de Chile, and require Governmental Approvals, in the absence of which the transactions requiring such Governmental Approvals will not be implemented.
- 3.2 The Parties will, after the execution of this Agreement, prepare and file with the U.S. Department of Transportation (the "DOT") a joint application for Antitrust Immunity. In the event that Antitrust Immunity is not granted (or is granted subject to limitations, restrictions or conditions that are not reasonably acceptable to both Parties), the Parties will not implement those transactions or activities contemplated by this Agreement with respect to which the Parties believe Antitrust Immunity is required.

4. CONFIDENTIALITY

- 4.1 Except as expressly provided in this Agreement or a Related Agreement, neither Party may sell, transfer, publish, disclose, display or otherwise make available the Confidential Information of the other Party or of both Parties to any third party (including Affiliates of the Party so restricted), except as may be required by Applicable Law (including requirement by oral questions, interrogatories, subpoenas, civil investigative demands or similar processes), in which case the Party from whom disclosure is sought (the "Disclosing Party") will promptly notify the other Party (the "Affected Party"). To the extent that the Affected Party

objects to the disclosure of its Confidential Information, the Disclosing Party will (at the Affected Party's expense) use all reasonable efforts (i) to resist making any disclosure of such Confidential Information, (ii) to limit the amount of such Confidential Information to be disclosed, and (iii) to obtain a protective order or other appropriate relief to minimize the further dissemination of any Confidential Information to be disclosed. In addition, neither Party will disclose the Confidential Information received to any of its Representatives except on a need-to-know basis for the purposes of implementing and administering this Agreement or the relevant Related Agreement; provided, however, that prior to any such disclosure, the Disclosing Party will inform all such Representatives of the confidential nature of the information, and that it is subject to this non-disclosure obligation, and will further instruct such Representatives to treat such information confidentially. American and LanChile each agrees to be responsible for any breach of the provisions set forth in this Section 4 by its respective Representatives. Furthermore, neither Party will use the Confidential Information of the other Party for any purpose other than as expressly provided in this Agreement or in a Related Agreement. The initial public announcement relating to this Agreement and the transactions contemplated herein will be made jointly by the senior executives of American and LanChile in a mutually agreed format. Such announcement will be prepared jointly and will be made as soon as practicable.

- 4.2 Each Party acknowledges and agrees that the Party disclosing its Confidential Information pursuant to this Agreement or any Related Agreement will have no adequate remedy at law if there is a breach or threatened breach of this Section 4 and, accordingly, the Affected Party will be entitled to an injunction or other equitable or similar preventative relief available under the laws of any jurisdiction against the other Party or its Representatives for such breach or threatened breach. Nothing herein will be construed as a waiver of any other legal or equitable remedies which may be available to the Affected Party in the event of a breach or threatened breach of this Section 4 and the Affected Party may pursue any other such remedy, including the recovery of damages.
- 4.3 The restrictions and obligations of a Party receiving Confidential Information and the rights of an Affected Party under this Section 4 will survive the termination of this Agreement and each of the Related Agreements for a period of three (3) years.

5. TERM

- 5.1 This Agreement will be effective as of the date first written above and will continue in effect for so long as any of the Related Agreements remain in effect.

6. TERMINATION

6.1 Each of this Agreement and any (or all) of the Related Agreements (in addition to any other termination rights under each respective Related Agreement), may be terminated prior to its expiration in the following manner:

- (a) each of this Agreement and the Related Agreements may be terminated at any time by mutual agreement of the Parties; or
- (b) If the DOT issues a final order denying the Parties' joint application for Antitrust Immunity or granting the application but with limitations, conditions or restrictions that are different than what was requested by the Parties and are reasonably unacceptable to either Party, or if, as of the first anniversary of the Effective Date, the DOT has not issued a final order on the joint application, the Parties will meet within thirty (30) days after the issuance of such DOT order or the first anniversary of the Effective Date, whichever is applicable, in order to agree on a resolution of the matter. If no such agreement is reached within sixty (60) days after the issuance of such DOT order or the first anniversary of the Effective Date, whichever is applicable, either Party may terminate the Codeshare Agreement, as follows:
 - (i) after thirty (30) days' prior written notice if the Implementation Date has not occurred; or
 - (ii) after sixty (60) days' prior written notice if the Implementation Date has occurred;
- (c) each of this Agreement and the Related Agreements may be terminated by either Party at any time after thirty (30) days' notice, if the Codeshare Agreement is not implemented by the first anniversary of the Effective Date; or
- (d) each of this Agreement and the Related Agreements may be terminated immediately by either Party if there is a material breach or default by the other Party under any of the Related Agreements and such breach or default has not been cured within the cure period as provided in the relevant Related Agreement, which period will be no less than thirty (30) days from the date of receipt by the breaching or defaulting party of notice of such breach or default.

6.2 Actions upon Termination

- (a) Upon any termination pursuant to this Agreement or a Related Agreement:

- (i) Each Party agrees to use all reasonable efforts to minimize the cost of termination for the other Party and to minimize customer confusion and other potential adverse effects of the termination.
 - (ii) Each Party will, within one hundred twenty (120) days of termination, either deliver to the other Party, or destroy, all of such other Party's Confidential Information then in its possession (including all copies thereof, other than copies of this Agreement and the Related Agreements) and will purge all such Confidential Information encoded or stored on magnetic or other electronic media or processors; provided that, each Party may retain such Confidential Information as may be required for its continued performance under any Related Agreement which has not been so terminated or as specifically permitted in this Agreement or in the relevant Related Agreement. Notwithstanding the foregoing provisions of this Section 6.2(a)(ii), if it is not feasible for a Party (after the Party has made all reasonable efforts) to deliver or destroy any portion of the other Party's Confidential Information because of non-segregable melding of Confidential Information of both Parties and because the delivery or destruction of such Confidential Information would cause a material disruption to that Party's operations, then the Party will not be obligated to deliver or destroy such Confidential Information, provided that, it will notify and identify to the other Party (with as much specificity as is reasonably possible) the Confidential Information which is incapable of being delivered or destroyed.
- (b) Either party may pursue all other rights and remedies available to it for any breach by the other Party of any provision of this Agreement or any of the Related Agreements.

7. ALLIANCE COMMITTEE

- 7.1 Within thirty (30) days after the date of this Agreement, American and LanChile will create an alliance committee for the purpose of implementing the transactions contemplated herein (the "**Committee**"). American and LanChile will each designate two (2) management representatives to the Committee and each will have the right to replace its designees at any time, in each case by written notice to the other. The Committee will endeavor to meet quarterly (in person or by telephone) at a mutually agreed time and

location and will endeavor to meet at such additional times as it determines are necessary or appropriate for the performance of its responsibilities hereunder, or as reasonably requested by either of the Parties. Each meeting will be conducted in accordance with an agenda. Either Party may place an item on the agenda of any such meeting of the Committee. From time to time, as the Committee deems appropriate, the Committee may establish and oversee working groups, which will be responsible for executing certain aspects of the responsibilities described below. These working groups will be composed of members in equal number from each of American and LanChile (unless otherwise agreed), and will meet as frequently as necessary to accomplish their assigned responsibilities.

- 7.2 The Committee will oversee (a) the planning and implementation of the cooperation between American and LanChile contemplated hereby; (b) the ongoing management of the transactions and relationships contemplated herein; and (c) the resolution (in accordance with Section 8) of any Disputes (defined in Section 8.2) arising hereunder or under any Related Agreement. The Committee will, as part of its responsibilities, monitor customer service, marketing harmonization, systems development, performance of the Codeshared Flights, marketing approach, techniques, shared usage of facilities, frequent flyer arrangements, and all other aspects of the alliance contemplated hereby, including the implementation, operation, and compliance with this Agreement and any other Related Agreement that may exist between the Parties from time to time. The Committee will consider ways to improve the performance and efficiency of the joint services to reduce costs and to increase the benefits afforded by the cooperative relationship. The Committee will endeavor to establish satisfactory means of addressing changed market conditions that have a material effect on either Party or on the ability of the Parties jointly to achieve the objectives of this Agreement and each of the Related Agreements. In performing its responsibilities, the Committee will be mindful of, and will comply with, all Applicable Laws.
- 7.3 The Committee will, from time to time upon the reasonable request of either American or LanChile and in any event not less often than once every six (6) months, endeavor to prepare a written report to the management of American and LanChile summarizing the status of the transactions and relationships contemplated hereby and setting forth the Committee's recommendations, if any, with respect to such transactions and relationships and such additional joint activities as the Committee believes may be beneficial for American and LanChile.

8. GOVERNING LAW AND DISPUTE RESOLUTION

- 8.1 THIS AGREEMENT AND EACH OF THE RELATED AGREEMENTS AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER, AND THEREUNDER, ARE GOVERNED BY AND WILL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK (WITHOUT REGARD TO ITS CONFLICT OF LAWS PRINCIPLES) INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED THEREIN.
- 8.2 Except as otherwise expressly provided in Section 8.3, any controversy, dispute, difference, disagreement or claim between the Parties arising under or relating to this Agreement or any of the Related Agreements, including any question concerning the validity, termination, interpretation, performance, operation, enforcement or breach of this Agreement or any of the Related Agreements (each, a "**Dispute**"), must first be referred by either Party to the Committee for resolution. If the Committee is unable to resolve the Dispute within ten (10) days after the Dispute is referred to it, unless extended by mutual consent of the Parties, the Dispute must then be referred by each Party to its respective chief executive officer (each, a "**CEO**") for resolution within ten (10) Business Days after the date of the referral, unless extended by mutual consent of the Parties. It will be sufficient for the purposes of referrals under this Section 8.2 that a Party send notice of the Dispute to one of its own members of the Committee, or its own CEO, as the case may be, in each case, with a copy to the other Party in the manner specified in Section 9 for the giving of notice.
- 8.3 Any Dispute not resolved after referral to the Committee and CEOs of the Parties as required in Section 8.2, may then be referred to arbitration as provided in Section 8.4. Each of LanChile and American irrevocably submits to the exclusive jurisdiction of such arbitration and expressly and irrevocably waives its right to bring suit against the other Party in any court of law except for the limited purposes of enforcing an arbitral award obtained in respect of a Dispute, or for obtaining any injunctive, temporary or preventative order or similar order available to it under the laws of any jurisdiction for a breach or threatened breach by the other Party of this Agreement which threatens irreparable damage. Each Party, to the fullest extent it may effectively do so under Applicable Law, irrevocably waives and agrees not to assert, by way of motion, as a defense or otherwise, any claim that it is not subject to arbitration.
- 8.4 Any Dispute submitted for arbitration must be finally settled by binding and confidential arbitration according to the Rules of Procedure of the Inter-American Commercial Arbitration Commission (the "**Rules**"), except as modified by mutual

agreement of LanChile and American. In the event of a conflict between the Rules and this Section 8, the provisions of this Section 8 will prevail. The arbitration, including the rendering of the award, will be conducted by three (3) arbitrators, each of whom will be knowledgeable about the legal, marketing and other business aspects of the airline industry and fluent in the English language; except that the arbitration may be conducted by only one arbitrator if LanChile and American agree in advance of the arbitration on a mutually acceptable individual. The arbitrator(s) will be appointed in accordance with the Rules. The arbitration proceedings will take place in New York, New York, and will be conducted in the English language. Initially, and until written notice has been received to the contrary, all notifications and communications arising from the arbitral proceedings may be made to the parties in the manner and to the addresses specified in Section 9.

- 8.5 If there is a Dispute submitted to arbitration and no arbitral award has been issued in connection therewith, any subsequent additional Disputes referred for arbitration (including counterclaims between the Parties) will be consolidated in the same arbitration proceeding.
- 8.6 The arbitral proceeding will not exceed ninety (90) days commencing on the date the last arbitrator accepts his or her appointment. If the arbitral award is not issued within this time, then the arbitration proceeding will be automatically renewed for another ninety (90) days. Evidence may not be taken in the arbitral proceeding except in the presence of both Parties and all witnesses, if any, may be questioned by both Parties.
- 8.7 Any decision or award of the arbitrator(s) must be based solely on the terms of this Agreement and the relevant Related Agreement and the substantive governing law applicable thereto. The decision of the arbitrator(s) must be issued in writing with explanation of its reasoning, and will be final and conclusive when issued. Judgment upon the award rendered in the arbitration may be entered and enforced by any court of competent jurisdiction. LanChile and American agree that the arbitrator(s) have the authority to award specific performance or an injunction to the prevailing party, or to make an award of damages (except to the extent limited by Section 11.2).
- 8.8 Without prejudice to the provisions of Sections 8.3 and 8.9(b), each Party irrevocably submits to the nonexclusive jurisdiction of the United States District Court for the Southern District of New York and of any State Court sitting in the State of New York (the "**Courts**") for purposes of enforcing any arbitral award or for other legal proceedings arising out of this Agreement or any of the Related Agreements or any transactions contemplated in hereby or thereby.

8.9 Each party, to the fullest extent it may effectively do so under Applicable Law, irrevocably waives and agrees not to assert, by way of motion, as a defense or otherwise:

- (a) any claim that it is not subject to the jurisdiction of the Courts and any objection that it may have as to venue or inconvenient forum in respect of claims or actions brought in any such Court; and
- (b) any right of application or appeal to any court (in the U.S. or in any other jurisdiction) in connection with any question of law arising in the course of arbitration proceedings or out of any decision or award by the arbitrators.

8.10 Each Party irrevocably designates, appoints, authorizes and empowers as its agent for service of process, C.T. Corporation System, at its offices presently located at 1633 Broadway, New York, NY 10019, to receive and acknowledge on behalf of such Party any process, notices, or other documents that may be served in any suit, action, or proceeding of the nature referred to in this Section 8 in any State or Federal court sitting in New York. Each Party has empowered C.T. Corporation System as its agent for service of process by the granting of power of attorney. Such designation and appointment will continue unless and until notice is given pursuant to Section 9 of this Agreement. Nothing in this Section 8 affects the right of any Party to serve process in any manner permitted by law, or limit any right that any Party may have to bring proceedings against the other Party in the courts of any jurisdiction (except as limited in Sections 8.2, 8.3 and 8.9) or to enforce in any lawful manner a judgment obtained in one jurisdiction or in any other jurisdiction.

9. NOTICES

9.1 Unless otherwise expressly set forth in this Agreement or a Related Agreement, all notices, reports, invoices and other communications required or permitted hereunder or thereunder to be given to or made upon any Party hereto will be in writing, and will be considered as properly given if addressed as provided below and either (a) delivered in person; (b) sent by an express courier delivery service which provides signed acknowledgments of receipt; or (c) transmitted by facsimile (upon receipt by sender thereof of evidence that a complete transmission of such copy was made to the recipient thereof) and, if sent by facsimile, confirmed by (i) telephone call contemporaneously made to the individual designated as the one to receive such notice, or (ii) dispatching a hard copy of such notice by mail (postage prepaid) or either of the methods set forth in (a) or (b) and will be effective upon receipt. For the purposes of giving notice, the addresses of the Parties are

as set forth below: provided, however, that either Party will have the right to change its address for notice to any other location by giving at least five (5) days' prior written notice to the other Party in the manner set forth above.

If to LanChile:

LanChile, S.A.
 Estado 10, Piso 21
 Santiago, Chile
 Attn: Senior Vice President - Planning & Development
 Phone: (562) 687-2525
 Fax: (562) 687-2876

If to American:

American Airlines, Inc.
 4333 Amon Carter Blvd., MD 5517
 Fort Worth, Texas 76155
 Attn: Vice President - International Affairs
 Phone: (817) 967-3185
 Fax: (817) 967-3179

10. REPRESENTATIONS AND WARRANTIES

10.1 Each of LanChile and American hereby represents and warrants to the other as follows:

- (a) It is a duly incorporated and validly existing corporation, in good standing under the laws of its jurisdiction of incorporation; is an air carrier duly authorized to act as such by the government of its country of incorporation; and has the requisite corporate power and authority to enter into and perform its obligations under this Agreement and each of the Related Agreements. The execution, delivery and performance of this Agreement and each of the Related Agreements by it have been duly authorized by all necessary corporate action. Each of this Agreement and the Related Agreements has been duly executed and delivered by it, and, assuming due authorization, execution and delivery by the other party hereto, each of this Agreement and the Related Agreements constitutes its legal, valid and binding obligation, enforceable against it in accordance with each of its terms, except to the extent that enforceability may be limited or modified by the effect of bankruptcy, insolvency or other similar laws affecting creditors' rights generally and the application of general principles of equity and public policy.
- (b) The execution, delivery or performance by it of this Agreement and the Related Agreements, shall not: (i) contravene, conflict with or cause a default under (A) any

applicable law, rule or regulation binding on it (assuming the Governmental Approvals have been obtained), or (B) any provision of its Charter, Certificate of Incorporation, Bylaws or other documents of corporate governance; or (ii) contravene, or cause a breach or violation of, any agreement or instrument to which it is a party or by which it is bound, except where such conflict, contravention or breach would not have a material adverse effect on it and its Affiliates taken as a whole or on its ability to perform this Agreement or the relevant Related Agreement.

- (c) The execution, delivery and performance by it of this Agreement and each of the Related Agreements do not require the consent or approval of or the giving of notice to, the registration with, the recording or filing of any documents with, or the taking of any other action in respect of, any Competent Authority (other than the Governmental Approvals), any trustee or holder of any of its indebtedness or obligations, any stockholder or any other person or entity, except where failure to obtain or take such action would not have a material adverse effect on it or a material adverse effect on the transactions contemplated in this Agreement or the relevant Related Agreement.

- 10.2 Each of the foregoing representations and warranties shall survive the execution and delivery of this Agreement and the Related Agreements and any expiration or termination thereof.

11. INDEMNIFICATION

- 11.1 Each Party will indemnify and hold harmless the other Party and Affiliates, Representatives and agents of the other Party from and against all Damages directly or indirectly incurred by the other Party that arise out of or in connection with any default or breach hereunder by the indemnifying Party. The Parties may also mutually agree to additional or other indemnification provisions in connection with any Related Agreement with regard to matters addressed in those agreements. This Section 11 will survive the termination of this Agreement and each of the Related Agreements.

11.2

WAIVES ANY CLAIMS AGAINST THE OTHER PARTY REGARDING SUCH DAMAGES. ACCORDINGLY, A PARTY MAY ONLY RECOVER ANY ACTUAL, DIRECT AND IDENTIFIABLE DAMAGES WITH RESPECT TO SUCH MATTERS.

12. MISCELLANEOUS

- 12.1 Amendment: Waiver. Each of this Agreement and the Related Agreements may be amended only by a written instrument signed by both Parties. No failure to exercise and no delay in exercising, on the part of any Party, any right, remedy, power or privilege hereunder, will operate as a waiver thereof; nor will any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privilèges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law. The failure of any Party to insist upon a strict performance of any of the terms or provisions of this Agreement or any of the Related Agreements, or to exercise any option, right or remedy herein contained, will not be construed as a waiver or as a relinquishment for the future of such term, provision, option, right or remedy, but the same will continue and remain in full force and effect. No waiver by any Party of any term or provision of this Agreement or any of the Related Agreements will be deemed to have been made unless expressed in writing and signed by such Party.
- 12.2 Assignment. Neither Party may assign or transfer or permit the assignment or transfer of this Agreement or any of the Related Agreements without the prior written consent of the other Party.
- 12.3 Expenses. Each Party will, whether or not the transactions contemplated hereby are consummated, bear its own attorneys', accountants' and other fees, costs and expenses incurred in connection with the negotiation, execution and performance of this Agreement and any Related Agreements and any of the transactions contemplated hereby or thereby.
- 12.4: Independent Contractor. Each Party is an independent contractor. Nothing in this Agreement or any of the Related Agreements is intended or will be construed to create or establish any agency relationship (except to the extent a Party is expressly in writing designated to serve as agent for the other Party), partnership, joint venture or fiduciary relationship between the Parties. Neither Party hereto nor any of its Affiliates has any authority to act for or to incur any obligations on behalf of or in the name of the other Party hereto or any of its Affiliates. Both Parties will remain entirely separate corporate entities, and unless otherwise expressly

provided herein, will retain independent decision-making and managerial authority regarding all matters.

- 12.5 Severability. If either Party receives from a Competent Authority notice to the effect that any part of this Agreement or any of the Related Agreements contravenes any applicable Governmental Approval and cannot qualify for any applicable clearance or exemption, or if any part of this Agreement is, or will become, or will be declared illegal, invalid or unenforceable in any jurisdiction for any reason (including both by reason of the provisions of any legislation and also by reason of any decision of any Competent Authority, either having jurisdiction over this Agreement or any of the Related Agreements or having jurisdiction over any Party), such part will be severed from this Agreement and/or the relevant Related Agreement in the jurisdiction in question and such contravention, illegality, invalidity or unenforceability will not in any way whatsoever prejudice or affect the remaining parts of this Agreement and/or the relevant Related Agreement, which will continue in full force and effect; provided, always, that if, in the reasonable opinion of any Party, any such severance materially affects the commercial basis of this Agreement, or the relevant Related Agreement, such Party will so inform the other Party (the "**Severance Notice**"), whereupon the Parties will negotiate to agree upon an amendment to this Agreement, or the relevant Related Agreement, in order to maintain the balance of the commercial interests of the Parties. If, however, such negotiations are not successfully concluded within ninety (90) days from the date of the receipt of the Severance Notice by a Party, either Party may terminate this Agreement, or relevant Related Agreement, by giving at least thirty (30) days' prior written notice to the other Party. Termination pursuant to this Section 12.5 shall take effect no earlier than one hundred and twenty (120) days after receipt of the Severance Notice by a Party.
- 12.6 Third Parties. Each of this Agreement and the Related Agreements is binding upon and inures to the benefit of the Parties and their successors and permitted assigns. All rights, remedies and obligations of the Parties hereunder will accrue and apply solely to such Parties and their successors and assigns and there is no intent to benefit any third parties.
- 12.7 Cooperation. Each Party will cooperate fully with the other, and will use all reasonable efforts to obtain all Governmental Approvals including using all appropriate and reasonable means to address any judicial or administrative appeals of, and to defend against any lawsuits or other legal proceedings which challenge any such Government Approvals.
- 12.8 Compliance with Laws. Each Party will comply with all applicable laws, rules and regulations of Competent Authorities with respect to

this Agreement and the Related Agreements, and the performance of its obligations hereunder and thereunder. Each Party will, at its expense, obtain and maintain the governmental authorizations, licenses, approvals, registrations, and renewals thereof filings that may be required of it under applicable laws, rules and regulations of Competent Authorities (including Government Approvals) in order to execute or perform this Agreement or the Related Agreements.

12.9 Further Assurances. Each Party will do and perform such further acts and execute and deliver such further instruments and documents at such Party's expense, as may be required by applicable laws, rules or regulations of Competent Authorities or as may be reasonably requested by the other Party to carry out and effectuate the purposes of this Agreement.

12.10 Other

- (a) Unless otherwise specified in this Agreement, all references in this Agreement to "**herein**", "**hereof**", "**hereto**", "**hereby**", and "**hereunder**" will be deemed references to this Agreement as a whole and not to any particular section, subsection, paragraph, sentence or clause of this Agreement. Unless otherwise specified in this Agreement, references herein to "**including**" or "**include**" will mean "**including without limitation**" or "**include without limitation**," respectively.
- (b) References herein to the termination of this Agreement or any of the Related Agreements (or words of similar import) will mean the termination of this Agreement, or any of the Related Agreements as the case may be, by exercise of termination rights.
- (c) All Schedules and Annexes to this Agreement are incorporated herein and made a part hereof for all purposes.
- (d) The captions appearing in each of this Agreement and the Related Agreements have been inserted as a matter of convenience and in no way define, limit or enlarge the scope of this Agreement or any of the Related Agreements or any of the provisions hereof or thereof.
- (e) Each of this Agreement and the Related Agreements is the product of negotiations between LanChile and American, and will be construed as if jointly prepared and drafted by them, and no provision hereof or thereof will be construed for or against any Party by reason of ambiguity in language, rules of construction against the drafting Party, or similar doctrine.

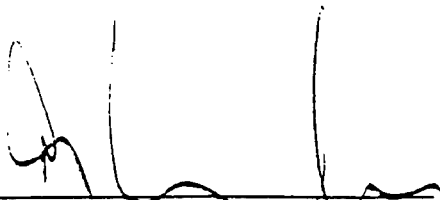
- (f) Although translations of this Agreement may be made into Spanish or any other language for the convenience of the parties, the English version will govern for all purposes of the interpretation and performance of this Agreement.
- (g) This Agreement may be executed by one or both of the Parties on any number of separate counterparts and all of which taken together will constitute one and the same instrument. Execution may be effected by delivery of facsimiles of signature pages (and the Parties will follow such delivery by prompt delivery of originals of such pages).
- (h) Each of this Agreement and the Related Agreements represents the entire agreement of the Parties with respect to its subject matter and, as of the date first written above, terminates and supersedes all prior or contemporaneous agreements, discussions, undertakings and understandings, whether written or oral, expressed or implied, between the Parties with respect to the same subject.

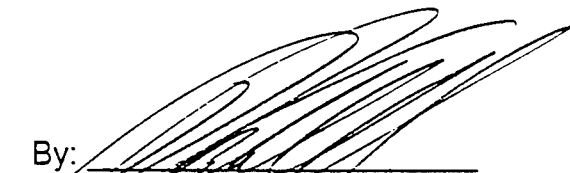
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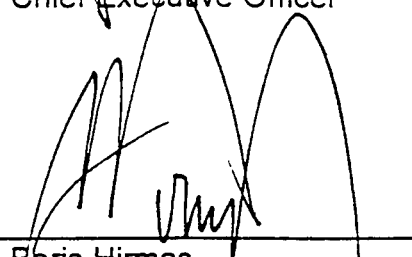
IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed and delivered by their proper and duly authorized officers as of the date first above written.

LÍNEA AÉREA NACIONAL
DE CHILE, S.A.

AMERICAN AIRLINES, INC.

By: 
Enrique Cueto
Chief Executive Officer

By: 
Robert L. Crandall
Chairman

By: 
Boris Hirmas
Co-Chairman

ATTACHMENTS:

Schedule 1: Definitions

Annex A: Form of Redacted Codeshare Agreement

Annex B: Form of Frequent Flyer Agreements

Attachment 1: Form of AAdvantage Participating Carrier Agreement

Attachment 2: Form of LanPass Participating Carrier Agreement

SCHEDULE 1

DEFINITIONS

As used in this Agreement, terms with their initial letters capitalized (or otherwise defined) in the headings, recitals or elsewhere in this Agreement, will have their respective assigned meanings, and the following terms with their initial letters capitalized (or otherwise defined), will have the meanings ascribed below (references herein to sections will refer to sections of the main text of the Agreement unless otherwise noted):

"AAAdvantage Participating Carrier Agreement" means an agreement to be entered into between American and LanChile regarding American's frequent flyer program, the substance of which have been substantially agreed by the Parties in the form of AAAdvantage Participating Carrier Program attached herewith as Attachment 1 of Annex B.

"Affiliate" means, with respect to any person or entity, any other person or entity, directly or indirectly, controlling, controlled by, or under common control with, such person or entity.

"Airline" refers to either American or LanChile, individually, and each may collectively be referred to as the **"Airlines."**

"Antitrust Immunity" means the approval, exemption and immunization of the Parties, pursuant to 49 U.S.C. §§ 41308 and 41309, from the application of all United States antitrust laws, as defined therein, for all transactions and activities contemplated in this Agreement, and if applicable, in any of the Related Agreements and all ancillary transactions and activities to those described in each of the Related Agreements.

"Applicable Law" means all applicable laws of any jurisdiction including securities laws, tax laws, tariff and trade laws, ordinances, judgments, decrees, injunctions, writs, and orders or like actions of any Competent Authority and the rules, regulations, orders, interpretations, licenses and permits of any Competent Authority.

"Business Day" means any day other than Saturday, Sunday or other day on which banking institutions in New York, New York, are required by law, or by applicable rule or regulation of a Competent Authority, to be closed.

"Claims" means any claim, suit, action or proceeding (including post judgment and appellate proceedings or proceedings that are incidental to the successful establishment of the right of indemnification hereunder).

"Codeshare Agreement" means an agreement to be entered into between American and LanChile regarding the mutual codesharing arrangement on each Party's flights; the substance of which have been substantially agreed

by the Parties in the form of Codeshare Agreement attached herewith as Annex A.

"Codeshared Flights" means certain flights (as determined by the Parties from time to time) of the city-pairs listed on Annex A (as amended and supplemented from time to time) of the Codeshare Agreement.

"Competent Authority" means any supranational, national, federal, state, county, local or municipal government body, bureau, commission, board, board of arbitration, instrumentality, authority, agency, court, department, minister, ministry, official or public or statutory person (whether autonomous or not) having jurisdiction over this Agreement, the transactions contemplated hereunder or either of the Parties.

"Confidential Information" means any and all (i) trade secrets, (ii) confidential or other proprietary information of a Party or its Affiliates including past, present or future research, development, business activities or affairs, finances, properties, methods of operation, processes and systems, (iii) customer lists, (iv) other customer information, (v) computer procedures and access codes disclosed by one Party hereto to the other in connection with this Agreement or any Related Agreement, whether the foregoing is oral or written in form or contained in any magnetic, electronic or other media; (vi) the terms and conditions of each of this Agreement and any Related Agreements (other than information which is necessary and customarily publicized in order to make members aware of the opportunity to accrue miles pursuant to a frequent flyer program agreement) and any reports, invoices, or other communications between American and LanChile given hereunder or in connection herewith or therewith (excluding names, addresses, account numbers and other information relating to specific members of either Party's frequent flyer program which shall constitute confidential information of such Party); (vii) books, records, accounts or other information of a Party reviewed, received or disclosed in connection with an audit pursuant to the provisions of any Related Agreement; and (viii) procedures regarding such other Party's frequent flyer program and the names, addresses, account numbers and other information regarding any member thereof disclosed pursuant to this Agreement or any Related Agreement provided, however, that in order for a Party's information of the type listed in items (i) - (iv) above be considered confidential hereunder, such information, if non-oral, must be marked or otherwise indicated or specified as confidential by the disclosing Party at the time of disclosure or must be of such a nature that, under the circumstances surrounding disclosure it ought to be treated as confidential; and provided, further, that oral information must be specified as confidential at the time of disclosure. Information of either Party which would otherwise be considered Confidential Information shall not be considered Confidential Information if such information is in the public domain, is placed in the public domain through no violation of this Agreement, or is lawfully obtained from another source free of restriction.

"Damages" means all claims, suits, penalties, liabilities, judgments, fines, losses and expenses of any nature or kind, including reasonable costs and expenses of investigation, preparing or defending any Claim such as reasonable

attorneys' fees and fees for expert witnesses, consultants and litigation support witnesses, consultants and litigation support services, but not including internal expenses of the indemnified Party such as employee salaries and costs in cooperating in the investigation, preparation or defense.

"Effective Date" means the date of this Agreement.

"Frequent Flyer Agreement" means each of the AAdvantage Carrier Participating Agreement and the LanPass Carrier Participating Agreement.

"Governmental Approvals" means all orders, permits, licenses, registrations, waivers, authorizations, exemptions, confirmations and approvals, including, without limitation, Antitrust Immunity, of any Competent Authority which are necessary or are reasonably considered by either Party to be material and appropriate to be obtained in connection with this Agreement and the transactions contemplated hereby.

"Implementation Date" means the date of the first Codeshared Flight.

"LanPass Participating Carrier Agreement" means an agreement to be entered into between American and LanChile regarding LanChile's frequent flyer program, the substance of which have been substantially agreed by the Parties in the form of the LanPass Participating Carrier Agreement attached herewith as Attachment 2 to Annex B.

"Party or Parties" means either or both of American and LanChile, as the context requires.

"Related Agreements" means any or all of the following agreements: (a) the AAdvantage Participating Carrier Agreement and the LanPass Participating Carrier Agreement; (b) the Codeshare Agreement; and (c) such other agreements as the Parties may mutually agree are necessary to effect the transactions hereby contemplated.

"Representatives" means a Party's directors, officers, employees, or professional advisors.

ANNEX A

FORM OF REDACTED CODESHARE AGREEMENT
(Attached)

ANNEX B

FORMS OF FREQUENT FLYER AGREEMENTS
(Attached)

Attachment 1

AAdvantage Participating Carrier Agreement

Attachment 2

LanPass Participating Carrier Agreement

AVAILABILITY OF NON-SCANNABLE ITEMS

OST-97-3285-1

Docket / Document Number

Old Docket Number, If any

JA-2 American Airlines
Timetable

Name / Description of Item(s) non-scannable

MAY BE VIEWED IN TASC/Docket Section
Room PL-401

Agency / Office Name / Room Number / Contact Person (if any)

during the hours of 10:00 AM - 5:00 p.m.

RUTA : NORTE - SUDAMERICA y CARIBE (Northbound)

EFFECTIVO : 28-OCT-97 AL 14-DEC-97

SANTIAGO * LIMA * GUAYAQUIL * CARACAS * BOGOTA * PUNTA CANA * CANCUN * MEXICO * MIAMI * NEW YORK * LOS ANGELES

Día salida	MA-JU SAB	LU-MI VI-DO	VIE	SAB	LU-MI VI-DO	MA-JU SAB	LU-MI VI-DO	EXCEP LU-MI	SAB	DOM	MAR JUE	LUN VIE
Nro. de Vuelo	LA800	LA810	LA820	LA820	LA530	LA520	LA500	LA502	LA572	LA580	LA570	LA580
Aeron	B-767	B-767	B-767	B-767	B-767	B-767	B-767	B-767	B-767	B-767	B-767	B-767
Clase Servicio	PJY	PJY	PJY	PJY	PJY	PJY	PJY	PJY	PJY	PJY	PJY	PJY
SANTIAGO												
C.A. Menno B	s	2310	2310	1000	2345	2245	2230	2330	1000	1000	0950	1000
LIMA	II	0055			0030							
Jorge Chávez	s	0155			0125							
GUAYAQUIL	II									1300	1250	
Simón Bolívar	s									1350	1340	
BOGOTA	II								1410		1525	
El Dorado	s								1500		1615	
CARACAS	II											1540
Simón Bolívar	s											1640
PUNTA CANA	II								1845			
Punta Cana Intl	s								1935			
MEXICO	II		0450	1540	0525							
Benito Juárez	s		0540									
CANCUN	II									1735		
Cancun	s									1820		
MIAMI	II					0515	0515	0815	2100	1955	1945	1905
Internacional	s					0805						
NEW YORK	II				0910	0900						
J.F. Kennedy	s											
LOS ANGELES	II	0750	0735									
Internacional	s											
Día Llegada	MI-VI DOM	LU-MA JU-SA	VIE	DOM	LU-MA JU-SA	MIE VI-DO	LU-MA JU-SA	EXCEP MA-JU	SAB	DOM	MAR JUE	LUN VIE

RUTA : NORTE - SUDAMERICA y CARIBE (Southbound)

EFFECTIVO : 28-OCT-97 AL 14-DEC-97

LOS ANGELES * NEW YORK * MIAMI * MEXICO * CANCUN * PUNTA CANA * BOGOTA * CARACAS * GUAYAQUIL * LIMA * SANTIAGO

Día salida	MI-VI DOM	LU-MA JU-SA	VIE	DOM	LU-MA JU-SA	MIE VI-DO	LU-MA JU-SA	EXCEP MA-JU	SAB	DOM	MAR JUE	LUN VIE
Nro. de Vuelo	LA801	LA811	LA821	LA821	LA531	LA521	LA501	LA503	LA573	LA581	LA571	LA581
Aeron	B-767	B-767	B-767	B-767	B-767	B-767	B-767	B-767	B-767	B-767	B-767	B-767
Clase Servicio	PJY	PJY	PJY	PJY	PJY	PJY	PJY	PJY	PJY	PJY	PJY	PJY
LOS ANGELES												
Internacional	s	1300	1300									
NEW YORK	II											
J.F. Kennedy	s				1630	1630						
MIAMI	II					1945						
Internacional	s					2045	2045	2200	0700	0730	0700	0730
CANCUN	II									0910		
Cancun	s									0955		
MEXICO	II		1845									
Benito Juárez	s		1945	1945	0800							
PUNTA CANA	II								1020			
Punta Cana Intl	s								1105			
CARACAS	II											1150
Simón Bolívar	s											1245
BOGOTA	II								1240		1025	
El Dorado	s								1335		1110	
GUAYAQUIL	II									1340	1250	
Simón Bolívar	s									1430	1340	
LIMA	II	0035			0030							
Jorge Chávez	s	0125			0115							
SANTIAGO	II	0645	0700	0700	1815	0635	0715	0715	0830	2130	2110	2020
C.A. Menno B												2020
Día Llegada	LU-JU SAB	MA-MI VI-DO	SAB	DOM	MA-MI VI-DO	LUN JUE SAB	MA-MI VI-DO	EXCEP MI-VI	SAB	DOM	MAR JUE	LUN VIE

NO TRAFFIC RIGHT :

MIA-JFK-MIA / MEX-LAX-MEX / CUN-MIA-CUN / GYE-CUN-GYE / ENTRE 120CT AL 14DEC97 LA58M1 SIN DERECHOS TRAFICO TRAMOS :

SCL-MIA-SCL / GYE-MIA-GYE

P. Salaserra

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EFFECTIVO : 26-OCT-97 AL 09-DEC-97

RUTA : SANTIAGO * SAO PAULO * RIO DE JANEIRO * MADRID * FRANKFURT						
EXCEPT MIE-SAB	DIARIO	Sale	Dia	Llega	DIARIO	EXCEPT LUN-VIE
LA700 B-767 PJY	LA750 B-767 PJY		Vuelo Avión Clase		LA751 B-767 PJY	LA701 B-767 PJY
1800	0900	s	SANTIAGO C.A. Merino B.	II	2045	1055
2235	1335	II	SAO PAULO	s	1745	0755
2350	1420	s	Guarulhos	II	1655	0640
	1515	II	RIO DE JANEIRO	s	1605	
		s	Galeao	II		
1300		II	MADRID	s		2305
1410		s	Barajas	II		2200
1650		II	FRANKFURT Internacional	s		1920
EXCEPT JUE-DOM	DIARIO	Llega	Dia	Sale	DIARIO	EXCEPT JUE-DOM

P. Salaverry

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LanChile Nuestra Línea Aérea

EFFECTIVO : 01-DEC-97 AL 14-MAR-98

ruta : SANTIAGO * ISLA DE PASCUA * PAPEETE * AUCKLAND

SAB	MAR JUE	DOM *	SALE	Dia		LLEGA	VIE *	LUN MIE	SAB
LA841 B-767 PJY	LA833 B-767 PJY	LA5833 B-767 PJY		Vuelo			LA5834 B-767 PJY	LA834 B-767 PJY	LA842 B-767 PJY
				Avión					
				Clase					
				SANTIAGO					
0900	1830	1830	dep	C.A. Merino B.		arr	2040	2040	2010
1225	2155	2155	arr	ISLA DE PASCUA		dep	1350	1350	1320
SAB	2250	2250	dep	Mataveri		arr	1255	1255	SAB
	2335	2335	arr	PAPEETE		dep	0215	0215	
	MA-JU	DOM		Faaa			VIE	LU-MI	
		LUN					VIE		
		0145	dep			arr	0025		
		0615	arr	AUCKLAND		dep	1835		
		*		Auckland Int'l			*		
	MAR			LLEGA	Dia	SALE	VIE		

NOTA :

· * CODE SHARE LA/NZ SCL/IPC/PPT/AKL (RT) - TRAMO PPT/AKL/PPT OPERADO POR NZ

P. Salaverry

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RUTA : SANTIAGO * BUENOS AIRES * SANTIAGO

EFFECTIVO : 02-NOV-97 AL 14-DEC-97

Sale	Día	LU-JU SAB	MA-MI VI-DO	MI-VI SA-DO	LU-MA JU	DIARIO	DIARIO	JUE	EXCEP JUE	DIARIO	DIARIO
Vuelo (Ex) Avión Clase Servicio		LA601 (LA165 B-767 PJY	LA611 LA169 B-767 PJY	LA411 155/125 B-732 JY	LA411 LA155 B-767 PJY	LA431 LA127 B-732 JY	LA441 LA129 B-767 PJY	LA451 LA121 B-767 PJY	LA451 LA121 B-732 JY	LA481 LA123 B-732 JY	LA491 LA223) B-732 JY
SANTIAGO C.A. Merino B.	dep	0815	0815	1000	1000	1345	1630	1730	1730	2210	2240
BUENOS AIRES Ezeiza	arr	1005	1005	1150	1150	1535	1820	1920	1920	2359	0030
Llega	Día	LU-JU SAB	MA-MI VI-DO	MI-VI SA-DO	LU-MA JU	DIARIO	DIARIO	JUE	EXCEP JUE	DIARIO	DIARIO

Sale	Día	DIARIO	DIARIO	DIARIO	LU-MA JU	MI-VI SA-DO	DIARIO	LU-MI VI-DO	MA-JU SAB	EXCEP JUE	JUE
Vuelo (Ex) Avión Clase Servicio		LA400 (LA124 B-732 JY	LA410 LA224 B-732 JY	LA420 LA120 B-767 PJY	LA440 LA128 B-767 PJY	LA440 LA128 B-732 JY	LA460 LA126 B-732 JY	LA610 LA168 B-767 PJY	LA600 LA164 B-767 PJY	LA470 122/154 B-732 JY	LA470 LA154) B-767 PJY
BUENOS AIRES Ezeiza	dep	0645	0800	1105	1415	1415	1620	1920	1920	2015	2015
SANTIAGO C.A. Merino B.	arr	0900	1015	1315	1630	1630	1835	2130	2130	2230	2230
Llega	Día	DIARIO	DIARIO	DIARIO	LU-MA JU	MI-VI SA-DO	DIARIO	LU-MI VI-DO	MA-JU SAB	EXCEP JUE	JUE

EFF.: 10-NOV-97 ADELANTE						
RUTA : ASUNCION						
LU-MI VI-DO	MA-JU SAB	Dep.	Dia	Arr.	MA-JU SAB	LU-MI VI-DO
LA5311 F-100 Y	LA5351 F-100 Y	Vuelo Avión Clase Servicio			LA5350 F-100 Y	LA5310 F-100 Y
1020	1100	Dep.	ASUNCION Silvio Pettirossi	Arr.	1710	1710
						▲
	1340	Arr	IQUIQUE Gral. D. Aracena	Dep	1455	
▼						
1305		Arr.	SANTIAGO C.A. Merino B.	Dep.		1425
LU-MI VI-DO	MA-JU SAB	Arr.	Dia	Dep.	MA-JU SAB	LU-MI VI-DO

NOTA : LA5311/0 - LA5351/0 VLOS CODE-SHARE LA/PZ
OPERADOS POR PZ (TAM)

P. Salaverry

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EFF.: 02-NOV-97 AL 23-DEC-97

RUTA : SANTIAGO * MENDOZA * MONTEVIDEO						
EXCEPT	DOM	MIE	DIARIO	DIARIO	Dep.	Dia
MI-DO						
LA900	LA900	LA900	LA930	LA932	Vuelo	
B-732	B-767	B-767	B-732	B-732	Avión	
JY	PJY	PJY	JY	JY	Clase Servicio	
1500	1050	1450	1055	1915	SANTIAGO	
			1145	2005	Dep.	C.A. Merino B.
					MENDOZA	
					Plumerillo	
1710	1300	1700			Arr.	MONTEVIDEO
						Carrasco
EXCEPT	DOM	MIE	DIARIO	DIARIO	Arr.	Dia
MI-DO						

NOTA : LA900/1 17-DEC-97 OPERA B-732 EID SCL 1500

P. Salaverry

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SANTIAGO • LA SERENA • COPIAPO • EL SALVADOR • ANTOFAGASTA • CALAMA • IQUIQUE • ARICA • LA PAZ • SANTA CRUZ

SANTA CRUZ • I A PAZ • ARICA • INIQUIE • CALAMA • ANTEAGASTA • EL SALVADOR • COPIAPO • LA SERENA • SANTIAGO

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American-Lan Chile Overlap City-Pairs

Type of Service ^{1/}		
<u>City-Pair</u>	<u>American</u>	<u>Lan Chile</u>
Los Angeles - Santiago	One stop	Through
Miami - Santiago	Nonstop	Nonstop
New York - Santiago	One stop	Through
Orlando - Santiago	One stop	Through
Los Angeles - Lima	One stop	Nonstop
Miami - Bogota	Nonstop	Nonstop
Miami - Buenos Aires	Nonstop	One stop
Miami - Caracas	Nonstop	Nonstop
Miami - Guayaquil	Nonstop	Through
Miami - Punta Cana	One stop	Nonstop
New York - Lima	One stop	Nonstop
Los Angeles - Buenos Aires	One stop	Through ^{2/}
New York - Buenos Aires	Nonstop	Two stop
Orlando - Buenos Aires	One stop	Two stop
New York - Montevideo	One stop	Two Stop
Miami - Montevideo	Through	Two Stop

^{1/} A through flight is a one or more stop flight, which retains the same flight number. Through flights may include change of equipment enroute.

Airlines With International Service at American's Key Airports

Dallas/Fort Worth	Miami	
Aeromexico	Aces	Guyana Airways
Air Canada	Aeroflot	Halsa Air
American	Aerolineas Argentinas	Iberia
Aspen Mountain Air	Aeromexico	Lacsa
Aviateca	Aeroperu	Laker
British Airways	Air Aruba	Lan Chile
Canadian Airlines	Air Atlantic Dominicana	Lauda
Lacsa	Air Canada	Lloyd Aereo Boliviano
Lufthansa	Air France	LTU International
Taca	Air Jamaica	Lufthansa
Korean	Alitalia	Martinair
	ALM Antillean	Mexicana
	American	National Airlines Chile
	Avensa	Nica
	Avianca	Northwest
	Aviateca	Paradise Island Air
	Bahamasair	Saeta
	British Airways	Servivensa
	BWIA	South African Airways
	Canadian Airlines	Taca
	Cayman Airways	Transbrasil
	City Bird	United
	Copa	Varig
	Ecuatoriana de Aviacion	Vasp
	Finnair	Virgin Atlantic
	Gulfstream International	

Airlines With International Service at American's Key Airports

New York (Kennedy, LaGuardia and Newark)

Aer Lingus	Continental	Pakistan International
Aeroflot	Czech Airlines	Pan American
Aerolineas Argentinas	Delta	Royal Air Maroc
Aeromexico	Ecuatoriana de Aviacion	Royal Jordanian
Air Afrique	Egyptair	Sabena
Air Aruba	El Al Israel	Saeta
Air Canada	Finnair	SAS Scandinavian
Air France	Ghana Airways	Saudi Arabian
Air India	Guyana Airways	Servivensa
Air Jamaica	Iberia	Singapore Airlines
Air Ukraine	Icelandair	South African
Alitalia	Japan Airlines	Swissair
All Nippon	KLM Royal Dutch	TAP Air Portugal
American	Korean	Tarom
APA International	Kuwait Airways	Tower Air
Austrian	LACSA	Trans World Airlines
Avianca	Lan Chile	Transbrasil
Balkan Bulgarian	LOT Polish	Turkish Airlines
British Airways	LTU International	United
BWIA International	Lufthansa	Uzbekistan Airways
Canadian	Malev	Varig
Carnival	Mexicana	VASP
Cathay Pacific	Northwest	Virgin Atlantic
City Bird	Olympic	

Passenger Traffic carried by American in Overlap Markets

Calendar 1996

City-pair	Passengers		
	Online	Interline	Total
Los Angeles - Santiago	4,501	518	5,019
Los Angeles - Lima	4,108	426	4,534
Miami - Bogota	145,230	2,033	147,263
Miami - Buenos Aires	122,562	2,990	125,552
Miami - Caracas	206,160	2,220	208,380
Miami - Guayaquil	37,500	860	38,360
Miami - Punta Cana	4,979	72	5,051
Miami - Santiago	57,921	1,692	59,613
New York - Lima	20,296	1,453	21,749
New York - Santiago	9,015	1,578	10,593
Orlando - Santiago	1,436	762	2,198
Los Angeles - Buenos Aires	8,465	714	9,179
New York - Buenos Aires	34,898	1,974	36,872
Orlando - Buenos Aires	4,619	1,263	5,882
New York - Montevideo	1,313	281	1,594
Miami - Montevideo	7,549	822	8,371

Passenger Traffic carried by Lan Chile in Overlap Markets

Calendar 1996

<u>City-pair</u>	<u>Passengers</u>
Los Angeles - Santiago	32,509
Los Angeles - Lima	13,024
Miami - Bogota	4,501
Miami - Buenos Aires	18,231
Miami - Caracas	14,200
Miami - Guayaquil	90
Miami - Punta Cana	1/
Miami - Santiago	83,625
New York - Lima	24,143
New York - Santiago	34,116
Orlando - Santiago	1/
Los Angeles - Buenos Aires	2/
Orlando - Buenos Aires	1/
New York - Buenos Aires	4,469
Miami - Montevideo	3,310
New York - Montevideo	1,373

1/No Lan Chile service in 1996.

2/ Lan Chile unable to construct data due to system constraints affecting sixth freedom traffic.

**Total Origin and Destination Survey Traffic for Lan Chile's 25 Largest Routes
Having a U.S. Endpoint**

<u>Rank</u>	<u>City-pair</u>	<u>Passengers</u>
1	Miami - Santiago	86,430
2	New York - Santiago	25,740
3	Los Angeles - Santiago	10,590
4	New York - Lima	78,890
5	Miami - Caracas	242,540
6	Los Angeles - Lima	11,350
7	Miami - Bogota	123,440
8	Miami - Buenos Aires	138,490
9	Los Angeles - Buenos Aires	30,190
10	New York - Buenos Aires	102,440
11	Washington - Santiago	11,020
12	Miami - Mendoza	2,240
13	Miami - Montevideo	15,000
14	San Francisco - Santiago	11,790
15	Chicago - Santiago	7,380
16	Miami - Concepcion	190
17	Miami - Punta Arenas	170
18	Miami - Puerto Montt	160
19	Atlanta - Santiago	3,440
20	Miami - Asuncion	7,960
21	Miami - Temuco	40
22	Minneapolis/St. Paul - Santiago	1,500
23	Miami - Iquique	500
24	Miami - Antofagasto	100
25	San Juan - Santiago	3,440

The American-Lan Chile Alliance Will Create New Online Service in 863 Markets via Miami

From Chile	To the United States and Beyond 1/
Antofagasta	Aruba
Antofagasta	Atlanta
Antofagasta	Baltimore
Antofagasta	Barbados
Antofagasta	Boston
Antofagasta	Capetown, South Africa
Antofagasta	Chicago
Antofagasta	Cleveland
Antofagasta	Curacao
Antofagasta	Dallas/Fort Worth
Antofagasta	Detroit
Antofagasta	Fort Myers
Antofagasta	Freeport, Bahamas
Antofagasta	George Town, Bahamas
Antofagasta	Governor's Harbour, Bahamas
Antofagasta	Grand Cayman
Antofagasta	Hartford/Springfield
Antofagasta	Houston
Antofagasta	Jacksonville
Antofagasta	Key West
Antofagasta	Kingston, Jamaica
Antofagasta	La Romana, Dominican Republic
Antofagasta	London, United Kingdom
Antofagasta	Marathon
Antofagasta	Marsh Harbour, Bahamas
Antofagasta	Mexico City, Mexico
Antofagasta	Montego Bay, Jamaica
Antofagasta	Monterrey, Mexico (effective 12/15/97)
Antofagasta	Montreal, Canada
Antofagasta	Naples
Antofagasta	Nashville
Antofagasta	Nassau
Antofagasta	New Orleans
Antofagasta	Orlando
Antofagasta	Paris, France
Antofagasta	Philadelphia
Antofagasta	Port au Prince, Haiti
Antofagasta	Port of Spain, Trinidad
Antofagasta	Providenciales, Turks and Caicos
Antofagasta	Puerto Plata, Dominican Republic
Antofagasta	Raleigh/Durham
Antofagasta	St. Croix
Antofagasta	St. Maarten
Antofagasta	St. Thomas
Antofagasta	San Francisco
Antofagasta	San Juan
Antofagasta	Santo Domingo, Dominican Republic

The American-Lan Chile Alliance Will Create New Online Service in 863 Markets via Miami

From Chile	To the United States and Beyond 1/
Antofagasta	Sarasota
Antofagasta	Seattle/Tacoma
Antofagasta	Tampa
Antofagasta	Toronto, Canada
Antofagasta	Vail (seasonal)
Antofagasta	Washington
Antofagasta	West Palm Beach
Arica	Aruba
Arica	Atlanta
Arica	Baltimore
Arica	Barbados
Arica	Boston
Arica	Capetown, South Africa
Arica	Chicago
Arica	Cleveland
Arica	Curacao
Arica	Dallas/Fort Worth
Arica	Detroit
Arica	Fort Myers
Arica	Freeport, Bahamas
Arica	George Town, Bahamas
Arica	Governor's Harbour, Bahamas
Arica	Grand Cayman
Arica	Hartford/Springfield
Arica	Houston
Arica	Jacksonville
Arica	Key West
Arica	Kingston, Jamaica
Arica	La Romana, Dominican Republic
Arica	London, United Kingdom
Arica	Marathon
Arica	Marsh Harbour, Bahamas
Arica	Mexico City, Mexico
Arica	Montego Bay, Jamaica
Arica	Monterrey, Mexico (effective 12/15/97)
Arica	Montreal, Canada
Arica	Naples
Arica	Nashville
Arica	Nassau
Arica	New Orleans
Arica	Orlando
Arica	Paris, France
Arica	Philadelphia
Arica	Port au Prince, Haiti
Arica	Port of Spain, Trinidad
Arica	Providenciales, Turks and Caicos

1/ Nonstop via Miami.

The American-Lan Chile Alliance Will Create New Online Service in 863 Markets via Miami

<u>From Chile</u>	<u>To the United States and Beyond 1/</u>
Arica	Puerto Plata, Dominican Republic
Arica	Raleigh/Durham
Arica	St. Croix
Arica	St. Maarten
Arica	St. Thomas
Arica	San Francisco
Arica	San Juan
Arica	Santo Domingo, Dominican Republic
Arica	Sarasota
Arica	Seattle/Tacoma
Arica	Tampa
Arica	Toronto, Canada
Arica	Vail (seasonal)
Arica	Washington
Arica	West Palm Beach
Balmaceda	Aruba
Balmaceda	Atlanta
Balmaceda	Baltimore
Balmaceda	Barbados
Balmaceda	Boston
Balmaceda	Capetown, South Africa
Balmaceda	Chicago
Balmaceda	Cleveland
Balmaceda	Curacao
Balmaceda	Dallas/Fort Worth
Balmaceda	Detroit
Balmaceda	Fort Myers
Balmaceda	Freeport, Bahamas
Balmaceda	George Town, Bahamas
Balmaceda	Governor's Harbour, Bahamas
Balmaceda	Grand Cayman
Balmaceda	Hartford/Springfield
Balmaceda	Houston
Balmaceda	Jacksonville
Balmaceda	Key West
Balmaceda	Kingston, Jamaica
Balmaceda	La Romana, Dominican Republic
Balmaceda	London, United Kingdom
Balmaceda	Marathon
Balmaceda	Marsh Harbour, Bahamas
Balmaceda	Mexico City, Mexico
Balmaceda	Montego Bay, Jamaica
Balmaceda	Monterrey, Mexico (effective 12/15/97)
Balmaceda	Montreal, Canada
Balmaceda	Naples
Balmaceda	Nashville

1/ Nonstop via Miami.

The American-Lan Chile Alliance Will Create New Online Service in 863 Markets via Miami

From Chile	To the United States and Beyond 1/
Balmaceda	Nassau
Balmaceda	New Orleans
Balmaceda	Orlando
Balmaceda	Paris, France
Balmaceda	Philadelphia
Balmaceda	Port au Prince, Haiti
Balmaceda	Port of Spain, Trinidad
Balmaceda	Providenciales, Turks and Caicos
Balmaceda	Puerto Plata, Dominican Republic
Balmaceda	Raleigh/Durham
Balmaceda	St. Croix
Balmaceda	St. Maarten
Balmaceda	St. Thomas
Balmaceda	San Francisco
Balmaceda	San Juan
Balmaceda	Santo Domingo, Dominican Republic
Balmaceda	Sarasota
Balmaceda	Seattle/Tacoma
Balmaceda	Tampa
Balmaceda	Toronto, Canada
Balmaceda	Vail (seasonal)
Balmaceda	Washington
Balmaceda	West Palm Beach
Calama	Aruba
Calama	Atlanta
Calama	Baltimore
Calama	Barbados
Calama	Boston
Calama	Capetown, South Africa
Calama	Chicago
Calama	Cleveland
Calama	Curacao
Calama	Dallas/Fort Worth
Calama	Detroit
Calama	Fort Myers
Calama	Freeport, Bahamas
Calama	George Town, Bahamas
Calama	Governor's Harbour, Bahamas
Calama	Grand Cayman
Calama	Hartford/Springfield
Calama	Houston
Calama	Jacksonville
Calama	Key West
Calama	Kingston, Jamaica
Calama	La Romana, Dominican Republic
Calama	London, United Kingdom

The American-Lan Chile Alliance Will Create New Online Service in 863 Markets via Miami

From Chile	To the United States and Beyond 1/
Calama	Marathon
Calama	Marsh Harbour, Bahamas
Calama	Mexico City, Mexico
Calama	Montego Bay, Jamaica
Calama	Monterrey, Mexico (effective 12/15/97)
Calama	Montreal, Canada
Calama	Naples
Calama	Nashville
Calama	Nassau
Calama	New Orleans
Calama	Orlando
Calama	Paris, France
Calama	Philadelphia
Calama	Port au Prince, Haiti
Calama	Port of Spain, Trinidad
Calama	Providenciales, Turks and Caicos
Calama	Puerto Plata, Dominican Republic
Calama	Raleigh/Durham
Calama	St. Croix
Calama	St. Maarten
Calama	St. Thomas
Calama	San Francisco
Calama	San Juan
Calama	Santo Domingo, Dominican Republic
Calama	Sarasota
Calama	Seattle/Tacoma
Calama	Tampa
Calama	Toronto, Canada
Calama	Vail (seasonal)
Calama	Washington
Calama	West Palm Beach
Concepcion	Aruba
Concepcion	Atlanta
Concepcion	Baltimore
Concepcion	Barbados
Concepcion	Boston
Concepcion	Capetown, South Africa
Concepcion	Chicago
Concepcion	Cleveland
Concepcion	Curacao
Concepcion	Dallas/Fort Worth
Concepcion	Detroit
Concepcion	Fort Myers
Concepcion	Freeport, Bahamas
Concepcion	George Town, Bahamas
Concepcion	Governor's Harbour, Bahamas

The American-Lan Chile Alliance Will Create New Online Service in 863 Markets via Miami

From Chile	To the United States and Beyond 1/
Concepcion	Grand Cayman
Concepcion	Hartford/Springfield
Concepcion	Houston
Concepcion	Jacksonville
Concepcion	Key West
Concepcion	Kingston, Jamaica
Concepcion	La Romana, Dominican Republic
Concepcion	London, United Kingdom
Concepcion	Marathon
Concepcion	Marsh Harbour, Bahamas
Concepcion	Mexico City, Mexico
Concepcion	Montego Bay, Jamaica
Concepcion	Monterrey, Mexico (effective 12/15/97)
Concepcion	Montreal, Canada
Concepcion	Naples
Concepcion	Nashville
Concepcion	Nassau
Concepcion	New Orleans
Concepcion	Orlando
Concepcion	Paris, France
Concepcion	Philadelphia
Concepcion	Port au Prince, Haiti
Concepcion	Port of Spain, Trinidad
Concepcion	Providenciales, Turks and Caicos
Concepcion	Puerto Plata, Dominican Republic
Concepcion	Raleigh/Durham
Concepcion	St. Croix
Concepcion	St. Maarten
Concepcion	St. Thomas
Concepcion	San Francisco
Concepcion	San Juan
Concepcion	Santo Domingo, Dominican Republic
Concepcion	Sarasota
Concepcion	Seattle/Tacoma
Concepcion	Tampa
Concepcion	Toronto, Canada
Concepcion	Vail (seasonal)
Concepcion	Washington
Concepcion	West Palm Beach
Copiapo	Aruba
Copiapo	Atlanta
Copiapo	Baltimore
Copiapo	Barbados
Copiapo	Boston
Copiapo	Capetown, South Africa
Copiapo	Chicago

The American-Lan Chile Alliance Will Create New Online Service in 863 Markets via Miami

From Chile	To the United States and Beyond 1/
Copiapo	Cleveland
Copiapo	Curacao
Copiapo	Dallas/Fort Worth
Copiapo	Detroit
Copiapo	Fort Myers
Copiapo	Freeport, Bahamas
Copiapo	George Town, Bahamas
Copiapo	Governor's Harbour, Bahamas
Copiapo	Grand Cayman
Copiapo	Hartford/Springfield
Copiapo	Houston
Copiapo	Jacksonville
Copiapo	Key West
Copiapo	Kingston, Jamaica
Copiapo	La Romana, Dominican Republic
Copiapo	London, United Kingdom
Copiapo	Marathon
Copiapo	Marsh Harbour, Bahamas
Copiapo	Mexico City, Mexico
Copiapo	Montego Bay, Jamaica
Copiapo	Monterrey, Mexico (effective 12/15/97)
Copiapo	Montreal, Canada
Copiapo	Naples
Copiapo	Nashville
Copiapo	Nassau
Copiapo	New Orleans
Copiapo	Orlando
Copiapo	Paris, France
Copiapo	Philadelphia
Copiapo	Port au Prince, Haiti
Copiapo	Port of Spain, Trinidad
Copiapo	Providenciales, Turks and Caicos
Copiapo	Puerto Plata, Dominican Republic
Copiapo	Raleigh/Durham
Copiapo	St. Croix
Copiapo	St. Maarten
Copiapo	St. Thomas
Copiapo	San Francisco
Copiapo	San Juan
Copiapo	Santo Domingo, Dominican Republic
Copiapo	Sarasota
Copiapo	Seattle/Tacoma
Copiapo	Tampa
Copiapo	Toronto, Canada
Copiapo	Vail (seasonal)
Copiapo	Washington
Copiapo	West Palm Beach

The American-Lan Chile Alliance Will Create New Online Service in 863 Markets via Miami

From Chile	To the United States and Beyond 1/
Easter Island	Aruba
Easter Island	Atlanta
Easter Island	Baltimore
Easter Island	Barbados
Easter Island	Boston
Easter Island	Capetown, South Africa
Easter Island	Chicago
Easter Island	Cleveland
Easter Island	Curacao
Easter Island	Dallas/Fort Worth
Easter Island	Detroit
Easter Island	Fort Myers
Easter Island	Freeport, Bahamas
Easter Island	George Town, Bahamas
Easter Island	Governor's Harbour, Bahamas
Easter Island	Grand Cayman
Easter Island	Hartford/Springfield
Easter Island	Houston
Easter Island	Jacksonville
Easter Island	Key West
Easter Island	Kingston, Jamaica
Easter Island	La Romana, Dominican Republic
Easter Island	London, United Kingdom
Easter Island	Marathon
Easter Island	Marsh Harbour, Bahamas
Easter Island	Mexico City, Mexico
Easter Island	Montego Bay, Jamaica
Easter Island	Monterrey, Mexico (effective 12/15/97)
Easter Island	Montreal, Canada
Easter Island	Naples
Easter Island	Nashville
Easter Island	Nassau
Easter Island	New Orleans
Easter Island	Orlando
Easter Island	Paris, France
Easter Island	Philadelphia
Easter Island	Port au Prince, Haiti
Easter Island	Port of Spain, Trinidad
Easter Island	Providenciales, Turks and Caicos
Easter Island	Puerto Plata, Dominican Republic
Easter Island	Raleigh/Durham
Easter Island	St. Croix
Easter Island	St. Maarten
Easter Island	St. Thomas
Easter Island	San Francisco
Easter Island	San Juan

The American-Lan Chile Alliance Will Create New Online Service in 863 Markets via Miami

From Chile	To the United States and Beyond 1/
Easter Island	Santo Domingo, Dominican Republic
Easter Island	Sarasota
Easter Island	Seattle/Tacoma
Easter Island	Tampa
Easter Island	Toronto, Canada
Easter Island	Vail (seasonal)
Easter Island	Washington
Easter Island	West Palm Beach
El Salvador	Aruba
El Salvador	Atlanta
El Salvador	Baltimore
El Salvador	Barbados
El Salvador	Boston
El Salvador	Capetown, South Africa
El Salvador	Chicago
El Salvador	Cleveland
El Salvador	Curacao
El Salvador	Dallas/Fort Worth
El Salvador	Detroit
El Salvador	Fort Myers
El Salvador	Freeport, Bahamas
El Salvador	George Town, Bahamas
El Salvador	Governor's Harbour, Bahamas
El Salvador	Grand Cayman
El Salvador	Hartford/Springfield
El Salvador	Houston
El Salvador	Jacksonville
El Salvador	Key West
El Salvador	Kingston, Jamaica
El Salvador	La Romana, Dominican Republic
El Salvador	London, United Kingdom
El Salvador	Marathon
El Salvador	Marsh Harbour, Bahamas
El Salvador	Mexico City, Mexico
El Salvador	Montego Bay, Jamaica
El Salvador	Monterrey, Mexico (effective 12/15/97)
El Salvador	Montreal, Canada
El Salvador	Naples
El Salvador	Nashville
El Salvador	Nassau
El Salvador	New Orleans
El Salvador	Orlando
El Salvador	Paris, France
El Salvador	Philadelphia
El Salvador	Port au Prince, Haiti
El Salvador	Port of Spain, Trinidad

The American-Lan Chile Alliance Will Create New Online Service in 863 Markets via Miami

From Chile	To the United States and Beyond 1/
El Salvador	Providenciales, Turks and Caicos
El Salvador	Puerto Plata, Dominican Republic
El Salvador	Raleigh/Durham
El Salvador	St. Croix
El Salvador	St. Maarten
El Salvador	St. Thomas
El Salvador	San Francisco
El Salvador	San Juan
El Salvador	Santo Domingo, Dominican Republic
El Salvador	Sarasota
El Salvador	Seattle/Tacoma
El Salvador	Tampa
El Salvador	Toronto, Canada
El Salvador	Vail (seasonal)
El Salvador	Washington
El Salvador	West Palm Beach
Iquique	Aruba
Iquique	Atlanta
Iquique	Baltimore
Iquique	Barbados
Iquique	Boston
Iquique	Capetown, South Africa
Iquique	Chicago
Iquique	Cleveland
Iquique	Curacao
Iquique	Dallas/Fort Worth
Iquique	Detroit
Iquique	Fort Myers
Iquique	Freeport, Bahamas
Iquique	George Town, Bahamas
Iquique	Governor's Harbour, Bahamas
Iquique	Grand Cayman
Iquique	Hartford/Springfield
Iquique	Houston
Iquique	Jacksonville
Iquique	Key West
Iquique	Kingston, Jamaica
Iquique	La Romana, Dominican Republic
Iquique	London, United Kingdom
Iquique	Marathon
Iquique	Marsh Harbour, Bahamas
Iquique	Mexico City, Mexico
Iquique	Montego Bay, Jamaica
Iquique	Monterrey, Mexico (effective 12/15/97)
Iquique	Montreal, Canada
Iquique	Naples

The American-Lan Chile Alliance Will Create New Online Service in 863 Markets via Miami

From Chile	To the United States and Beyond 1/
Iquique	Nashville
Iquique	Nassau
Iquique	New Orleans
Iquique	Orlando
Iquique	Paris, France
Iquique	Philadelphia
Iquique	Port au Prince, Haiti
Iquique	Port of Spain, Trinidad
Iquique	Providenciales, Turks and Caicos
Iquique	Puerto Plata, Dominican Republic
Iquique	Raleigh/Durham
Iquique	St. Croix
Iquique	St. Maarten
Iquique	St. Thomas
Iquique	San Francisco
Iquique	San Juan
Iquique	Santo Domingo, Dominican Republic
Iquique	Sarasota
Iquique	Seattle/Tacoma
Iquique	Tampa
Iquique	Toronto, Canada
Iquique	Vail (seasonal)
Iquique	Washington
Iquique	West Palm Beach
La Serena	Aruba
La Serena	Atlanta
La Serena	Baltimore
La Serena	Barbados
La Serena	Boston
La Serena	Capetown, South Africa
La Serena	Chicago
La Serena	Cleveland
La Serena	Curacao
La Serena	Dallas/Fort Worth
La Serena	Detroit
La Serena	Fort Myers
La Serena	Freeport, Bahamas
La Serena	George Town, Bahamas
La Serena	Governor's Harbour, Bahamas
La Serena	Grand Cayman
La Serena	Hartford/Springfield
La Serena	Houston
La Serena	Jacksonville
La Serena	Key West
La Serena	Kingston, Jamaica
La Serena	La Romana, Dominican Republic

The American-Lan Chile Alliance Will Create New Online Service in 863 Markets via Miami

From Chile	To the United States and Beyond 1/
La Serena	London, United Kingdom
La Serena	Marathon
La Serena	Marsh Harbour, Bahamas
La Serena	Mexico City, Mexico
La Serena	Montego Bay, Jamaica
La Serena	Monterrey, Mexico (effective 12/15/97)
La Serena	Montreal, Canada
La Serena	Naples
La Serena	Nashville
La Serena	Nassau
La Serena	New Orleans
La Serena	Orlando
La Serena	Paris, France
La Serena	Philadelphia
La Serena	Port au Prince, Haiti
La Serena	Port of Spain, Trinidad
La Serena	Providenciales, Turks and Caicos
La Serena	Puerto Plata, Dominican Republic
La Serena	Raleigh/Durham
La Serena	St. Croix
La Serena	St. Maarten
La Serena	St. Thomas
La Serena	San Francisco
La Serena	San Juan
La Serena	Santo Domingo, Dominican Republic
La Serena	Sarasota
La Serena	Seattle/Tacoma
La Serena	Tampa
La Serena	Toronto, Canada
La Serena	Vail (seasonal)
La Serena	Washington
La Serena	West Palm Beach
Osorno	Aruba
Osorno	Atlanta
Osorno	Baltimore
Osorno	Barbados
Osorno	Boston
Osorno	Capetown, South Africa
Osorno	Chicago
Osorno	Cleveland
Osorno	Curacao
Osorno	Dallas/Fort Worth
Osorno	Detroit
Osorno	Fort Myers
Osorno	Freeport, Bahamas
Osorno	George Town, Bahamas

1/ Nonstop via Miami.

The American-Lan Chile Alliance Will Create New Online Service in 863 Markets via Miami

From Chile	To the United States and Beyond 1/
Osomo	Governor's Harbour, Bahamas
Osomo	Grand Cayman
Osomo	Hartford/Springfield
Osomo	Houston
Osomo	Jacksonville
Osomo	Key West
Osomo	Kingston, Jamaica
Osomo	La Romana, Dominican Republic
Osomo	London, United Kingdom
Osomo	Marathon
Osomo	Marsh Harbour, Bahamas
Osomo	Mexico City, Mexico
Osomo	Montego Bay, Jamaica
Osomo	Monterrey, Mexico (effective 12/15/97)
Osomo	Montreal, Canada
Osomo	Naples
Osomo	Nashville
Osomo	Nassau
Osomo	New Orleans
Osomo	Orlando
Osomo	Paris, France
Osomo	Philadelphia
Osomo	Port au Prince, Haiti
Osomo	Port of Spain, Trinidad
Osomo	Providenciales, Turks and Caicos
Osomo	Puerto Plata, Dominican Republic
Osomo	Raleigh/Durham
Osomo	St. Croix
Osomo	St. Maarten
Osomo	St. Thomas
Osomo	San Francisco
Osomo	San Juan
Osomo	Santo Domingo, Dominican Republic
Osomo	Sarasota
Osomo	Seattle/Tacoma
Osomo	Tampa
Osomo	Toronto, Canada
Osomo	Vail (seasonal)
Osomo	Washington
Osomo	West Palm Beach
Puerto Montt	Aruba
Puerto Montt	Atlanta
Puerto Montt	Baltimore
Puerto Montt	Barbados
Puerto Montt	Boston
Puerto Montt	Capetown, South Africa

The American-Lan Chile Alliance Will Create New Online Service in 863 Markets via Miami

From Chile	To the United States and Beyond 1/
Puerto Montt	Chicago
Puerto Montt	Cleveland
Puerto Montt	Curacao
Puerto Montt	Dallas/Fort Worth
Puerto Montt	Detroit
Puerto Montt	Fort Myers
Puerto Montt	Freeport, Bahamas
Puerto Montt	George Town, Bahamas
Puerto Montt	Governor's Harbour, Bahamas
Puerto Montt	Grand Cayman
Puerto Montt	Hartford/Springfield
Puerto Montt	Houston
Puerto Montt	Jacksonville
Puerto Montt	Key West
Puerto Montt	Kingston, Jamaica
Puerto Montt	La Romana, Dominican Republic
Puerto Montt	London, United Kingdom
Puerto Montt	Marathon
Puerto Montt	Marsh Harbour, Bahamas
Puerto Montt	Mexico City, Mexico
Puerto Montt	Montego Bay, Jamaica
Puerto Montt	Monterrey, Mexico (effective 12/15/97)
Puerto Montt	Montreal, Canada
Puerto Montt	Naples
Puerto Montt	Nashville
Puerto Montt	Nassau
Puerto Montt	New Orleans
Puerto Montt	Orlando
Puerto Montt	Paris, France
Puerto Montt	Philadelphia
Puerto Montt	Port au Prince, Haiti
Puerto Montt	Port of Spain, Trinidad
Puerto Montt	Providenciales, Turks and Caicos
Puerto Montt	Puerto Plata, Dominican Republic
Puerto Montt	Raleigh/Durham
Puerto Montt	St. Croix
Puerto Montt	St. Maarten
Puerto Montt	St. Thomas
Puerto Montt	San Francisco
Puerto Montt	San Juan
Puerto Montt	Santo Domingo, Dominican Republic
Puerto Montt	Sarasota
Puerto Montt	Seattle/Tacoma
Puerto Montt	Tampa
Puerto Montt	Toronto, Canada
Puerto Montt	Vail (seasonal)
Puerto Montt	Washington

The American-Lan Chile Alliance Will Create New Online Service in 863 Markets via Miami

From Chile	To the United States and Beyond 1/
Puerto Montt	West Palm Beach
Punta Arenas	Aruba
Punta Arenas	Atlanta
Punta Arenas	Baltimore
Punta Arenas	Barbados
Punta Arenas	Boston
Punta Arenas	Capetown, South Africa
Punta Arenas	Chicago
Punta Arenas	Cleveland
Punta Arenas	Curacao
Punta Arenas	Dallas/Fort Worth
Punta Arenas	Detroit
Punta Arenas	Fort Myers
Punta Arenas	Freeport, Bahamas
Punta Arenas	George Town, Bahamas
Punta Arenas	Governor's Harbour, Bahamas
Punta Arenas	Grand Cayman
Punta Arenas	Hartford/Springfield
Punta Arenas	Houston
Punta Arenas	Jacksonville
Punta Arenas	Key West
Punta Arenas	Kingston, Jamaica
Punta Arenas	La Romana, Dominican Republic
Punta Arenas	London, United Kingdom
Punta Arenas	Marathon
Punta Arenas	Marsh Harbour, Bahamas
Punta Arenas	Mexico City, Mexico
Punta Arenas	Montego Bay, Jamaica
Punta Arenas	Monterrey, Mexico (effective 12/15/97)
Punta Arenas	Montreal, Canada
Punta Arenas	Naples
Punta Arenas	Nashville
Punta Arenas	Nassau
Punta Arenas	New Orleans
Punta Arenas	Orlando
Punta Arenas	Paris, France
Punta Arenas	Philadelphia
Punta Arenas	Port au Prince, Haiti
Punta Arenas	Port of Spain, Trinidad
Punta Arenas	Providenciales, Turks and Caicos
Punta Arenas	Puerto Plata, Dominican Republic
Punta Arenas	Raleigh/Durham
Punta Arenas	St. Croix
Punta Arenas	St. Maarten
Punta Arenas	St. Thomas
Punta Arenas	San Francisco

The American-Lan Chile Alliance Will Create New Online Service in 863 Markets via Miami

<u>From Chile</u>	<u>To the United States and Beyond 1/</u>
Punta Arenas	San Juan
Punta Arenas	Santo Domingo, Dominican Republic
Punta Arenas	Sarasota
Punta Arenas	Seattle/Tacoma
Punta Arenas	Tampa
Punta Arenas	Toronto, Canada
Punta Arenas	Vail (seasonal)
Punta Arenas	Washington
Punta Arenas	West Palm Beach
Santiago	Aruba
Santiago	Atlanta
Santiago	Baltimore
Santiago	Barbados
Santiago	Boston
Santiago	Capetown, South Africa
Santiago	Chicago
Santiago	Cleveland
Santiago	Curacao
Santiago	Detroit
Santiago	Fort Myers
Santiago	Freeport, Bahamas
Santiago	George Town, Bahamas
Santiago	Governor's Harbour, Bahamas
Santiago	Grand Cayman
Santiago	Hartford/Springfield
Santiago	Houston
Santiago	Jacksonville
Santiago	Key West
Santiago	Kingston, Jamaica
Santiago	La Romana, Dominican Republic
Santiago	London, United Kingdom
Santiago	Marathon
Santiago	Marsh Harbour, Bahamas
Santiago	Mexico City, Mexico
Santiago	Montego Bay, Jamaica
Santiago	Monterrey, Mexico (effective 12/15/97)
Santiago	Montreal, Canada
Santiago	Naples
Santiago	Nashville
Santiago	Nassau
Santiago	New Orleans
Santiago	Orlando
Santiago	Paris, France
Santiago	Philadelphia
Santiago	Port au Prince, Haiti
Santiago	Port of Spain, Trinidad

The American-Lan Chile Alliance Will Create New Online Service in 863 Markets via Miami

From Chile	To the United States and Beyond 1/
Santiago	Providenciales, Turks and Caicos
Santiago	Puerto Plata, Dominican Republic
Santiago	Raleigh/Durham
Santiago	St. Croix
Santiago	St. Maarten
Santiago	St. Thomas
Santiago	San Francisco
Santiago	San Juan
Santiago	Santo Domingo, Dominican Republic
Santiago	Sarasota
Santiago	Seattle/Tacoma
Santiago	Tampa
Santiago	Toronto, Canada
Santiago	Vail (seasonal)
Santiago	Washington
Santiago	West Palm Beach
Temuco	Aruba
Temuco	Atlanta
Temuco	Baltimore
Temuco	Barbados
Temuco	Boston
Temuco	Capetown, South Africa
Temuco	Chicago
Temuco	Cleveland
Temuco	Curacao
Temuco	Dallas/Fort Worth
Temuco	Detroit
Temuco	Fort Myers
Temuco	Freeport, Bahamas
Temuco	George Town, Bahamas
Temuco	Governor's Harbour, Bahamas
Temuco	Grand Cayman
Temuco	Hartford/Springfield
Temuco	Houston
Temuco	Jacksonville
Temuco	Key West
Temuco	Kingston, Jamaica
Temuco	La Romana, Dominican Republic
Temuco	London, United Kingdom
Temuco	Marathon
Temuco	Marsh Harbour, Bahamas
Temuco	Mexico City, Mexico
Temuco	Montego Bay, Jamaica
Temuco	Monterrey, Mexico (effective 12/15/97)
Temuco	Montreal, Canada
Temuco	Naples

1/ Nonstop via Miami.

The American-Lan Chile Alliance Will Create New Online Service in 863 Markets via Miami

From Chile	To the United States and Beyond 1/
Temuco	Nashville
Temuco	Nassau
Temuco	New Orleans
Temuco	Orlando
Temuco	Paris, France
Temuco	Philadelphia
Temuco	Port au Prince, Haiti
Temuco	Port of Spain, Trinidad
Temuco	Providenciales, Turks and Caicos
Temuco	Puerto Plata, Dominican Republic
Temuco	Raleigh/Durham
Temuco	St. Croix
Temuco	St. Maarten
Temuco	St. Thomas
Temuco	San Francisco
Temuco	San Juan
Temuco	Santo Domingo, Dominican Republic
Temuco	Sarasota
Temuco	Seattle/Tacoma
Temuco	Tampa
Temuco	Toronto, Canada
Temuco	Vail (seasonal)
Temuco	Washington
Temuco	West Palm Beach
Valdivia	Aruba
Valdivia	Atlanta
Valdivia	Baltimore
Valdivia	Barbados
Valdivia	Boston
Valdivia	Capetown, South Africa
Valdivia	Chicago
Valdivia	Cleveland
Valdivia	Curacao
Valdivia	Dallas/Fort Worth
Valdivia	Detroit
Valdivia	Fort Myers
Valdivia	Freeport, Bahamas
Valdivia	George Town, Bahamas
Valdivia	Governor's Harbour, Bahamas
Valdivia	Grand Cayman
Valdivia	Hartford/Springfield
Valdivia	Houston
Valdivia	Jacksonville
Valdivia	Key West
Valdivia	Kingston, Jamaica
Valdivia	La Romana, Dominican Republic

The American-Lan Chile Alliance Will Create New Online Service in 863 Markets via Miami

From Chile	To the United States and Beyond 1/
Valdivia	London, United Kingdom
Valdivia	Marathon
Valdivia	Marsh Harbour, Bahamas
Valdivia	Mexico City, Mexico
Valdivia	Montego Bay, Jamaica
Valdivia	Monterrey, Mexico (effective 12/15/97)
Valdivia	Montreal, Canada
Valdivia	Naples
Valdivia	Nashville
Valdivia	Nassau
Valdivia	New Orleans
Valdivia	Orlando
Valdivia	Paris, France
Valdivia	Philadelphia
Valdivia	Port au Prince, Haiti
Valdivia	Port of Spain, Trinidad
Valdivia	Providenciales, Turks and Caicos
Valdivia	Puerto Plata, Dominican Republic
Valdivia	Raleigh/Durham
Valdivia	St. Croix
Valdivia	St. Maarten
Valdivia	St. Thomas
Valdivia	San Francisco
Valdivia	San Juan
Valdivia	Santo Domingo, Dominican Republic
Valdivia	Sarasota
Valdivia	Seattle/Tacoma
Valdivia	Tampa
Valdivia	Toronto, Canada
Valdivia	Vail (seasonal)
Valdivia	Washington
Valdivia	West Palm Beach

The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
Antofagasta	Abilene
Antofagasta	Acapulco, Mexico
Antofagasta	Albuquerque
Antofagasta	Alexandria
Antofagasta	Amarillo
Antofagasta	Aspen
Antofagasta	Atlanta
Antofagasta	Austin
Antofagasta	Bakersfield
Antofagasta	Baltimore
Antofagasta	Baton Rouge
Antofagasta	Beaumont/Port Arthur
Antofagasta	Birmingham
Antofagasta	Boston
Antofagasta	Burbank
Antofagasta	Calgary, Canada
Antofagasta	Charlotte
Antofagasta	Chicago
Antofagasta	Cincinnati
Antofagasta	Cleveland
Antofagasta	College Station
Antofagasta	Colorado Springs
Antofagasta	Columbus
Antofagasta	Corpus Christi
Antofagasta	Dayton
Antofagasta	Denver
Antofagasta	Des Moines
Antofagasta	Detroit
Antofagasta	Durango (seasonal)
Antofagasta	El Paso
Antofagasta	Fayetteville
Antofagasta	Fort Lauderdale
Antofagasta	Fort Myers (seasonal)
Antofagasta	Fort Smith
Antofagasta	Fresno
Antofagasta	Greensboro
Antofagasta	Guadalajara, Mexico
Antofagasta	Gunnison (seasonal)
Antofagasta	Harlingen
Antofagasta	Hartford/Springfield
Antofagasta	Honolulu
Antofagasta	Houston
Antofagasta	Huntsville
Antofagasta	Indianapolis
Antofagasta	Jackson
Antofagasta	Jacksonville
Antofagasta	Kansas City

1/ Nonstop via Dallas/Fort Worth.

Source: Published airline schedules, effective November 20, 1997.

The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
Antofagasta	Killeen
Antofagasta	Knoxville
Antofagasta	Lafayette
Antofagasta	Lake Charles
Antofagasta	Laredo
Antofagasta	Las Vegas
Antofagasta	Lawton
Antofagasta	León, Mexico
Antofagasta	Little Rock
Antofagasta	London, United Kingdom
Antofagasta	Long Beach
Antofagasta	Longview
Antofagasta	Los Cabos, Mexico
Antofagasta	Louisville
Antofagasta	Lubbock
Antofagasta	McAllen
Antofagasta	Memphis
Antofagasta	Midland/Odessa
Antofagasta	Minneapolis/St. Paul
Antofagasta	Monterrey, Mexico
Antofagasta	Nashville
Antofagasta	New Orleans
Antofagasta	Norfolk
Antofagasta	Oakland
Antofagasta	Oklahoma City
Antofagasta	Omaha
Antofagasta	Ontario
Antofagasta	Orange County
Antofagasta	Orlando
Antofagasta	Palm Springs
Antofagasta	Paris, France
Antofagasta	Pensacola
Antofagasta	Philadelphia
Antofagasta	Phoenix
Antofagasta	Pittsburgh
Antofagasta	Portland
Antofagasta	Puebla, Mexico (effective 12/15)
Antofagasta	Puerto Vallarta, Mexico
Antofagasta	Raleigh/Durham
Antofagasta	Reno
Antofagasta	Richmond
Antofagasta	Sacramento
Antofagasta	St. Louis
Antofagasta	Salt Lake City
Antofagasta	San Angelo
Antofagasta	San Antonio
Antofagasta	San Diego

1/ Nonstop via Dallas/Fort Worth.

Source: Published airline schedules, effective November 20, 1997.

The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
Antofagasta	San Francisco
Antofagasta	San Jose
Antofagasta	San Juan
Antofagasta	Santa Fe
Antofagasta	Seattle/Tacoma
Antofagasta	Shreveport
Antofagasta	Springfield
Antofagasta	Steamboat Springs (seasonal)
Antofagasta	Tampa
Antofagasta	Texarkana
Antofagasta	Tokyo, Japan
Antofagasta	Toronto, Canada
Antofagasta	Tucson
Antofagasta	Tulsa
Antofagasta	Tyler
Antofagasta	Vail (seasonal)
Antofagasta	Vancouver, Canada
Antofagasta	Waco
Antofagasta	Washington
Antofagasta	West Palm Beach
Antofagasta	Wichita
Antofagasta	Wichita Falls
Arica	Abilene
Arica	Acapulco, Mexico
Arica	Albuquerque
Arica	Alexandria
Arica	Amarillo
Arica	Aspen
Arica	Atlanta
Arica	Austin
Arica	Bakersfield
Arica	Baltimore
Arica	Baton Rouge
Arica	Beaumont/Port Arthur
Arica	Birmingham
Arica	Boston
Arica	Burbank
Arica	Calgary, Canada
Arica	Charlotte
Arica	Chicago
Arica	Cincinnati
Arica	Cleveland
Arica	College Station
Arica	Colorado Springs
Arica	Columbus
Arica	Corpus Christi

1/ Nonstop via Dallas/Fort Worth.

Source: Published airline schedules, effective November 20, 1997.

The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

<u>From Chile</u>	<u>To the United States and Beyond 1/</u>
Arica	Dayton
Arica	Denver
Arica	Des Moines
Arica	Detroit
Arica	Durango (seasonal)
Arica	El Paso
Arica	Fayetteville
Arica	Fort Lauderdale
Arica	Fort Myers (seasonal)
Arica	Fort Smith
Arica	Fresno
Arica	Greensboro
Arica	Guadalajara, Mexico
Arica	Gunnison (seasonal)
Arica	Harlingen
Arica	Hartford/Springfield
Arica	Honolulu
Arica	Houston
Arica	Huntsville
Arica	Indianapolis
Arica	Jackson
Arica	Jacksonville
Arica	Kansas City
Arica	Killeen
Arica	Knoxville
Arica	Lafayette
Arica	Lake Charles
Arica	Laredo
Arica	Las Vegas
Arica	Lawton
Arica	León, Mexico
Arica	Little Rock
Arica	London, United Kingdom
Arica	Long Beach
Arica	Longview
Arica	Los Cabos, Mexico
Arica	Louisville
Arica	Lubbock
Arica	McAllen
Arica	Memphis
Arica	Midland/Odessa
Arica	Minneapolis/St. Paul
Arica	Monterrey, Mexico
Arica	Nashville
Arica	New Orleans
Arica	Norfolk
Arica	Oakland

1/ Nonstop via Dallas/Fort Worth.

Source: Published airline schedules, effective November 20, 1997.

The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

<u>From Chile</u>	<u>To the United States and Beyond 1/</u>
Arica	Oklahoma City
Arica	Omaha
Arica	Ontario
Arica	Orange County
Arica	Orlando
Arica	Palm Springs
Arica	Paris, France
Arica	Pensacola
Arica	Philadelphia
Arica	Phoenix
Arica	Pittsburgh
Arica	Portland
Arica	Puebla, Mexico (effective 12/15)
Arica	Puerto Vallarta, Mexico
Arica	Raleigh/Durham
Arica	Reno
Arica	Richmond
Arica	Sacramento
Arica	St. Louis
Arica	Salt Lake City
Arica	San Angelo
Arica	San Antonio
Arica	San Diego
Arica	San Francisco
Arica	San Jose
Arica	San Juan
Arica	Santa Fe
Arica	Seattle/Tacoma
Arica	Shreveport
Arica	Springfield
Arica	Steamboat Springs (seasonal)
Arica	Tampa
Arica	Texarkana
Arica	Tokyo, Japan
Arica	Toronto, Canada
Arica	Tucson
Arica	Tulsa
Arica	Tyler
Arica	Vail (seasonal)
Arica	Vancouver, Canada
Arica	Waco
Arica	Washington
Arica	West Palm Beach
Arica	Wichita
Arica	Wichita Falls
Balmaceda	Abilene

1/ Nonstop via Dallas/Fort Worth.

Source: Published airline schedules, effective November 20, 1997.

The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
Balmaceda	Acapulco, Mexico
Balmaceda	Albuquerque
Balmaceda	Alexandria
Balmaceda	Amarillo
Balmaceda	Aspen
Balmaceda	Atlanta
Balmaceda	Austin
Balmaceda	Bakersfield
Balmaceda	Baltimore
Balmaceda	Baton Rouge
Balmaceda	Beaumont/Port Arthur
Balmaceda	Birmingham
Balmaceda	Boston
Balmaceda	Burbank
Balmaceda	Calgary, Canada
Balmaceda	Charlotte
Balmaceda	Chicago
Balmaceda	Cincinnati
Balmaceda	Cleveland
Balmaceda	College Station
Balmaceda	Colorado Springs
Balmaceda	Columbus
Balmaceda	Corpus Christi
Balmaceda	Dayton
Balmaceda	Denver
Balmaceda	Des Moines
Balmaceda	Detroit
Balmaceda	Durango (seasonal)
Balmaceda	El Paso
Balmaceda	Fayetteville
Balmaceda	Fort Lauderdale
Balmaceda	Fort Myers (seasonal)
Balmaceda	Fort Smith
Balmaceda	Fresno
Balmaceda	Greensboro
Balmaceda	Guadalajara, Mexico
Balmaceda	Gunnison (seasonal)
Balmaceda	Harlingen
Balmaceda	Hartford/Springfield
Balmaceda	Honolulu
Balmaceda	Houston
Balmaceda	Huntsville
Balmaceda	Indianapolis
Balmaceda	Jackson
Balmaceda	Jacksonville
Balmaceda	Kansas City
Balmaceda	Killeen

1/ Nonstop via Dallas/Fort Worth.

Source: Published airline schedules, effective November 20, 1997.

The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
Balmaceda	Knoxville
Balmaceda	Lafayette
Balmaceda	Lake Charles
Balmaceda	Laredo
Balmaceda	Las Vegas
Balmaceda	Lawton
Balmaceda	León, Mexico
Balmaceda	Little Rock
Balmaceda	London, United Kingdom
Balmaceda	Long Beach
Balmaceda	Longview
Balmaceda	Los Cabos, Mexico
Balmaceda	Louisville
Balmaceda	Lubbock
Balmaceda	McAllen
Balmaceda	Memphis
Balmaceda	Midland/Odessa
Balmaceda	Minneapolis/St. Paul
Balmaceda	Monterrey, Mexico
Balmaceda	Nashville
Balmaceda	New Orleans
Balmaceda	Norfolk
Balmaceda	Oakland
Balmaceda	Oklahoma City
Balmaceda	Omaha
Balmaceda	Ontario
Balmaceda	Orange County
Balmaceda	Orlando
Balmaceda	Palm Springs
Balmaceda	Paris, France
Balmaceda	Pensacola
Balmaceda	Philadelphia
Balmaceda	Phoenix
Balmaceda	Pittsburgh
Balmaceda	Portland
Balmaceda	Puebla, Mexico (effective 12/15)
Balmaceda	Puerto Vallarta, Mexico
Balmaceda	Raleigh/Durham
Balmaceda	Reno
Balmaceda	Richmond
Balmaceda	Sacramento
Balmaceda	St. Louis
Balmaceda	Salt Lake City
Balmaceda	San Angelo
Balmaceda	San Antonio
Balmaceda	San Diego
Balmaceda	San Francisco

1/ Nonstop via Dallas/Fort Worth.

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The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
Balmaceda	San Jose
Balmaceda	San Juan
Balmaceda	Santa Fe
Balmaceda	Seattle/Tacoma
Balmaceda	Shreveport
Balmaceda	Springfield
Balmaceda	Steamboat Springs (seasonal)
Balmaceda	Tampa
Balmaceda	Texarkana
Balmaceda	Tokyo, Japan
Balmaceda	Toronto, Canada
Balmaceda	Tucson
Balmaceda	Tulsa
Balmaceda	Tyler
Balmaceda	Vail (seasonal)
Balmaceda	Vancouver, Canada
Balmaceda	Waco
Balmaceda	Washington
Balmaceda	West Palm Beach
Balmaceda	Wichita
Balmaceda	Wichita Falls
Calama	Abilene
Calama	Acapulco, Mexico
Calama	Albuquerque
Calama	Alexandria
Calama	Amarillo
Calama	Aspen
Calama	Atlanta
Calama	Austin
Calama	Bakersfield
Calama	Baltimore
Calama	Baton Rouge
Calama	Beaumont/Port Arthur
Calama	Birmingham
Calama	Boston
Calama	Burbank
Calama	Calgary, Canada
Calama	Charlotte
Calama	Chicago
Calama	Cincinnati
Calama	Cleveland
Calama	College Station
Calama	Colorado Springs
Calama	Columbus
Calama	Corpus Christi
Calama	Dayton

1/ Nonstop via Dallas/Fort Worth.

Source: Published airline schedules, effective November 20, 1997.

The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
Calama	Denver
Calama	Des Moines
Calama	Detroit
Calama	Durango (seasonal)
Calama	El Paso
Calama	Fayetteville
Calama	Fort Lauderdale
Calama	Fort Myers (seasonal)
Calama	Fort Smith
Calama	Fresno
Calama	Greensboro
Calama	Guadalajara, Mexico
Calama	Gunnison (seasonal)
Calama	Harlingen
Calama	Hartford/Springfield
Calama	Honolulu
Calama	Houston
Calama	Huntsville
Calama	Indianapolis
Calama	Jackson
Calama	Jacksonville
Calama	Kansas City
Calama	Killeen
Calama	Knoxville
Calama	Lafayette
Calama	Lake Charles
Calama	Laredo
Calama	Las Vegas
Calama	Lawton
Calama	León, Mexico
Calama	Little Rock
Calama	London, United Kingdom
Calama	Long Beach
Calama	Longview
Calama	Los Cabos, Mexico
Calama	Louisville
Calama	Lubbock
Calama	McAllen
Calama	Memphis
Calama	Midland/Odessa
Calama	Minneapolis/St. Paul
Calama	Monterrey, Mexico
Calama	Nashville
Calama	New Orleans
Calama	Norfolk
Calama	Oakland
Calama	Oklahoma City

1/ Nonstop via Dallas/Fort Worth.

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The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
Calama	Omaha
Calama	Ontario
Calama	Orange County
Calama	Orlando
Calama	Palm Springs
Calama	Paris, France
Calama	Pensacola
Calama	Philadelphia
Calama	Phoenix
Calama	Pittsburgh
Calama	Portland
Calama	Puebla, Mexico (effective 12/15)
Calama	Puerto Vallarta, Mexico
Calama	Raleigh/Durham
Calama	Reno
Calama	Richmond
Calama	Sacramento
Calama	St. Louis
Calama	Salt Lake City
Calama	San Angelo
Calama	San Antonio
Calama	San Diego
Calama	San Francisco
Calama	San Jose
Calama	San Juan
Calama	Santa Fe
Calama	Seattle/Tacoma
Calama	Shreveport
Calama	Springfield
Calama	Steamboat Springs (seasonal)
Calama	Tampa
Calama	Texarkana
Calama	Tokyo, Japan
Calama	Toronto, Canada
Calama	Tucson
Calama	Tulsa
Calama	Tyler
Calama	Vail (seasonal)
Calama	Vancouver, Canada
Calama	Waco
Calama	Washington
Calama	West Palm Beach
Calama	Wichita
Calama	Wichita Falls
Concepcion	Abilene
Concepcion	Acapulco, Mexico

1/ Nonstop via Dallas/Fort Worth.

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The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
Concepcion	Albuquerque
Concepcion	Alexandria
Concepcion	Amarillo
Concepcion	Aspen
Concepcion	Atlanta
Concepcion	Austin
Concepcion	Bakersfield
Concepcion	Baltimore
Concepcion	Baton Rouge
Concepcion	Beaumont/Port Arthur
Concepcion	Birmingham
Concepcion	Boston
Concepcion	Burbank
Concepcion	Calgary, Canada
Concepcion	Charlotte
Concepcion	Chicago
Concepcion	Cincinnati
Concepcion	Cleveland
Concepcion	College Station
Concepcion	Colorado Springs
Concepcion	Columbus
Concepcion	Corpus Christi
Concepcion	Dayton
Concepcion	Denver
Concepcion	Des Moines
Concepcion	Detroit
Concepcion	Durango (seasonal)
Concepcion	El Paso
Concepcion	Fayetteville
Concepcion	Fort Lauderdale
Concepcion	Fort Myers (seasonal)
Concepcion	Fort Smith
Concepcion	Fresno
Concepcion	Greensboro
Concepcion	Guadalajara, Mexico
Concepcion	Gunnison (seasonal)
Concepcion	Harlingen
Concepcion	Hartford/Springfield
Concepcion	Honolulu
Concepcion	Houston
Concepcion	Huntsville
Concepcion	Indianapolis
Concepcion	Jackson
Concepcion	Jacksonville
Concepcion	Kansas City
Concepcion	Killeen
Concepcion	Knoxville

1/ Nonstop via Dallas/Fort Worth.

Source: Published airline schedules, effective November 20, 1997.

The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
Concepcion	Lafayette
Concepcion	Lake Charles
Concepcion	Laredo
Concepcion	Las Vegas
Concepcion	Lawton
Concepcion	León, Mexico
Concepcion	Little Rock
Concepcion	London, United Kingdom
Concepcion	Long Beach
Concepcion	Longview
Concepcion	Los Cabos, Mexico
Concepcion	Louisville
Concepcion	Lubbock
Concepcion	McAllen
Concepcion	Memphis
Concepcion	Midland/Odessa
Concepcion	Minneapolis/St. Paul
Concepcion	Monterrey, Mexico
Concepcion	Nashville
Concepcion	New Orleans
Concepcion	Norfolk
Concepcion	Oakland
Concepcion	Oklahoma City
Concepcion	Omaha
Concepcion	Ontario
Concepcion	Orange County
Concepcion	Orlando
Concepcion	Palm Springs
Concepcion	Paris, France
Concepcion	Pensacola
Concepcion	Philadelphia
Concepcion	Phoenix
Concepcion	Pittsburgh
Concepcion	Portland
Concepcion	Puebla, Mexico (effective 12/15)
Concepcion	Puerto Vallarta, Mexico
Concepcion	Raleigh/Durham
Concepcion	Reno
Concepcion	Richmond
Concepcion	Sacramento
Concepcion	St. Louis
Concepcion	Salt Lake City
Concepcion	San Angelo
Concepcion	San Antonio
Concepcion	San Diego
Concepcion	San Francisco
Concepcion	San Jose

1/ Nonstop via Dallas/Fort Worth.

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The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
Concepcion	San Juan
Concepcion	Santa Fe
Concepcion	Seattle/Tacoma
Concepcion	Shreveport
Concepcion	Springfield
Concepcion	Steamboat Springs (seasonal)
Concepcion	Tampa
Concepcion	Texarkana
Concepcion	Tokyo, Japan
Concepcion	Toronto, Canada
Concepcion	Tucson
Concepcion	Tulsa
Concepcion	Tyler
Concepcion	Vail (seasonal)
Concepcion	Vancouver, Canada
Concepcion	Waco
Concepcion	Washington
Concepcion	West Palm Beach
Concepcion	Wichita
Concepcion	Wichita Falls
Copiapo	Abilene
Copiapo	Acapulco, Mexico
Copiapo	Albuquerque
Copiapo	Alexandria
Copiapo	Amarillo
Copiapo	Aspen
Copiapo	Atlanta
Copiapo	Austin
Copiapo	Bakersfield
Copiapo	Baltimore
Copiapo	Baton Rouge
Copiapo	Beaumont/Port Arthur
Copiapo	Birmingham
Copiapo	Boston
Copiapo	Burbank
Copiapo	Calgary, Canada
Copiapo	Charlotte
Copiapo	Chicago
Copiapo	Cincinnati
Copiapo	Cleveland
Copiapo	College Station
Copiapo	Colorado Springs
Copiapo	Columbus
Copiapo	Corpus Christi
Copiapo	Dayton
Copiapo	Denver

1/ Nonstop via Dallas/Fort Worth.

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The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
Copiapo	Des Moines
Copiapo	Detroit
Copiapo	Durango (seasonal)
Copiapo	El Paso
Copiapo	Fayetteville
Copiapo	Fort Lauderdale
Copiapo	Fort Myers (seasonal)
Copiapo	Fort Smith
Copiapo	Fresno
Copiapo	Greensboro
Copiapo	Guadalajara, Mexico
Copiapo	Gunnison (seasonal)
Copiapo	Harlingen
Copiapo	Hartford/Springfield
Copiapo	Honolulu
Copiapo	Houston
Copiapo	Huntsville
Copiapo	Indianapolis
Copiapo	Jackson
Copiapo	Jacksonville
Copiapo	Kansas City
Copiapo	Killeen
Copiapo	Knoxville
Copiapo	Lafayette
Copiapo	Lake Charles
Copiapo	Laredo
Copiapo	Las Vegas
Copiapo	Lawton
Copiapo	León, Mexico
Copiapo	Little Rock
Copiapo	London, United Kingdom
Copiapo	Long Beach
Copiapo	Longview
Copiapo	Los Cabos, Mexico
Copiapo	Louisville
Copiapo	Lubbock
Copiapo	McAllen
Copiapo	Memphis
Copiapo	Midland/Odessa
Copiapo	Minneapolis/St. Paul
Copiapo	Monterrey, Mexico
Copiapo	Nashville
Copiapo	New Orleans
Copiapo	Norfolk
Copiapo	Oakland
Copiapo	Oklahoma City
Copiapo	Omaha

1/ Nonstop via Dallas/Fort Worth.

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The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
Copiapo	Ontario
Copiapo	Orange County
Copiapo	Orlando
Copiapo	Palm Springs
Copiapo	Paris, France
Copiapo	Pensacola
Copiapo	Philadelphia
Copiapo	Phoenix
Copiapo	Pittsburgh
Copiapo	Portland
Copiapo	Puebla, Mexico (effective 12/15)
Copiapo	Puerto Vallarta, Mexico
Copiapo	Raleigh/Durham
Copiapo	Reno
Copiapo	Richmond
Copiapo	Sacramento
Copiapo	St. Louis
Copiapo	Salt Lake City
Copiapo	San Angelo
Copiapo	San Antonio
Copiapo	San Diego
Copiapo	San Francisco
Copiapo	San Jose
Copiapo	San Juan
Copiapo	Santa Fe
Copiapo	Seattle/Tacoma
Copiapo	Shreveport
Copiapo	Springfield
Copiapo	Steamboat Springs (seasonal)
Copiapo	Tampa
Copiapo	Texarkana
Copiapo	Tokyo, Japan
Copiapo	Toronto, Canada
Copiapo	Tucson
Copiapo	Tulsa
Copiapo	Tyler
Copiapo	Vail (seasonal)
Copiapo	Vancouver, Canada
Copiapo	Waco
Copiapo	Washington
Copiapo	West Palm Beach
Copiapo	Wichita
Copiapo	Wichita Falls
Easter Island	Abilene
Easter Island	Acapulco, Mexico
Easter Island	Albuquerque

1/ Nonstop via Dallas/Fort Worth.

Source: Published airline schedules, effective November 20, 1997.

The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
Easter Island	Alexandria
Easter Island	Amarillo
Easter Island	Aspen
Easter Island	Atlanta
Easter Island	Austin
Easter Island	Bakersfield
Easter Island	Baltimore
Easter Island	Baton Rouge
Easter Island	Beaumont/Port Arthur
Easter Island	Birmingham
Easter Island	Boston
Easter Island	Burbank
Easter Island	Calgary, Canada
Easter Island	Charlotte
Easter Island	Chicago
Easter Island	Cincinnati
Easter Island	Cleveland
Easter Island	College Station
Easter Island	Colorado Springs
Easter Island	Columbus
Easter Island	Corpus Christi
Easter Island	Dayton
Easter Island	Denver
Easter Island	Des Moines
Easter Island	Detroit
Easter Island	Durango (seasonal)
Easter Island	El Paso
Easter Island	Fayetteville
Easter Island	Fort Lauderdale
Easter Island	Fort Myers (seasonal)
Easter Island	Fort Smith
Easter Island	Fresno
Easter Island	Greensboro
Easter Island	Guadalajara, Mexico
Easter Island	Gunnison (seasonal)
Easter Island	Harlingen
Easter Island	Hartford/Springfield
Easter Island	Honolulu
Easter Island	Houston
Easter Island	Huntsville
Easter Island	Indianapolis
Easter Island	Jackson
Easter Island	Jacksonville
Easter Island	Kansas City
Easter Island	Killeen
Easter Island	Knoxville
Easter Island	Lafayette

1/ Nonstop via Dallas/Fort Worth.

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The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
Easter Island	Lake Charles
Easter Island	Laredo
Easter Island	Las Vegas
Easter Island	Lawton
Easter Island	León, Mexico
Easter Island	Little Rock
Easter Island	London, United Kingdom
Easter Island	Long Beach
Easter Island	Longview
Easter Island	Los Cabos, Mexico
Easter Island	Louisville
Easter Island	Lubbock
Easter Island	McAllen
Easter Island	Memphis
Easter Island	Midland/Odessa
Easter Island	Minneapolis/St. Paul
Easter Island	Monterrey, Mexico
Easter Island	Nashville
Easter Island	New Orleans
Easter Island	Norfolk
Easter Island	Oakland
Easter Island	Oklahoma City
Easter Island	Omaha
Easter Island	Ontario
Easter Island	Orange County
Easter Island	Orlando
Easter Island	Palm Springs
Easter Island	Paris, France
Easter Island	Pensacola
Easter Island	Philadelphia
Easter Island	Phoenix
Easter Island	Pittsburgh
Easter Island	Portland
Easter Island	Puebla, Mexico (effective 12/15)
Easter Island	Puerto Vallarta, Mexico
Easter Island	Raleigh/Durham
Easter Island	Reno
Easter Island	Richmond
Easter Island	Sacramento
Easter Island	St. Louis
Easter Island	Salt Lake City
Easter Island	San Angelo
Easter Island	San Antonio
Easter Island	San Diego
Easter Island	San Francisco
Easter Island	San Jose
Easter Island	San Juan

1/ Nonstop via Dallas/Fort Worth.

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The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
Easter Island	Santa Fe
Easter Island	Seattle/Tacoma
Easter Island	Shreveport
Easter Island	Springfield
Easter Island	Steamboat Springs (seasonal)
Easter Island	Tampa
Easter Island	Texarkana
Easter Island	Tokyo, Japan
Easter Island	Toronto, Canada
Easter Island	Tucson
Easter Island	Tulsa
Easter Island	Tyler
Easter Island	Vail (seasonal)
Easter Island	Vancouver, Canada
Easter Island	Waco
Easter Island	Washington
Easter Island	West Palm Beach
Easter Island	Wichita
Easter Island	Wichita Falls
El Salvador	Abilene
El Salvador	Acapulco, Mexico
El Salvador	Albuquerque
El Salvador	Alexandria
El Salvador	Amarillo
El Salvador	Aspen
El Salvador	Atlanta
El Salvador	Austin
El Salvador	Bakersfield
El Salvador	Baltimore
El Salvador	Baton Rouge
El Salvador	Beaumont/Port Arthur
El Salvador	Birmingham
El Salvador	Boston
El Salvador	Burbank
El Salvador	Calgary, Canada
El Salvador	Charlotte
El Salvador	Chicago
El Salvador	Cincinnati
El Salvador	Cleveland
El Salvador	College Station
El Salvador	Colorado Springs
El Salvador	Columbus
El Salvador	Corpus Christi
El Salvador	Dayton
El Salvador	Denver
El Salvador	Des Moines

1/ Nonstop via Dallas/Fort Worth.

Source: Published airline schedules, effective November 20, 1997.

The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
El Salvador	Detroit
El Salvador	Durango (seasonal)
El Salvador	El Paso
El Salvador	Fayetteville
El Salvador	Fort Lauderdale
El Salvador	Fort Myers (seasonal)
El Salvador	Fort Smith
El Salvador	Fresno
El Salvador	Greensboro
El Salvador	Guadalajara, Mexico
El Salvador	Gunnison (seasonal)
El Salvador	Harlingen
El Salvador	Hartford/Springfield
El Salvador	Honolulu
El Salvador	Houston
El Salvador	Huntsville
El Salvador	Indianapolis
El Salvador	Jackson
El Salvador	Jacksonville
El Salvador	Kansas City
El Salvador	Killeen
El Salvador	Knoxville
El Salvador	Lafayette
El Salvador	Lake Charles
El Salvador	Laredo
El Salvador	Las Vegas
El Salvador	Lawton
El Salvador	León, Mexico
El Salvador	Little Rock
El Salvador	London, United Kingdom
El Salvador	Long Beach
El Salvador	Longview
El Salvador	Los Cabos, Mexico
El Salvador	Louisville
El Salvador	Lubbock
El Salvador	McAllen
El Salvador	Memphis
El Salvador	Midland/Odessa
El Salvador	Minneapolis/St. Paul
El Salvador	Monterrey, Mexico
El Salvador	Nashville
El Salvador	New Orleans
El Salvador	Norfolk
El Salvador	Oakland
El Salvador	Oklahoma City
El Salvador	Omaha
El Salvador	Ontario

1/ Nonstop via Dallas/Fort Worth.

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The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
El Salvador	Orange County
El Salvador	Orlando
El Salvador	Palm Springs
El Salvador	Paris, France
El Salvador	Pensacola
El Salvador	Philadelphia
El Salvador	Phoenix
El Salvador	Pittsburgh
El Salvador	Portland
El Salvador	Puebla, Mexico (effective 12/15)
El Salvador	Puerto Vallarta, Mexico
El Salvador	Raleigh/Durham
El Salvador	Reno
El Salvador	Richmond
El Salvador	Sacramento
El Salvador	St. Louis
El Salvador	Salt Lake City
El Salvador	San Angelo
El Salvador	San Antonio
El Salvador	San Diego
El Salvador	San Francisco
El Salvador	San Jose
El Salvador	San Juan
El Salvador	Santa Fe
El Salvador	Seattle/Tacoma
El Salvador	Shreveport
El Salvador	Springfield
El Salvador	Steamboat Springs (seasonal)
El Salvador	Tampa
El Salvador	Texarkana
El Salvador	Tokyo, Japan
El Salvador	Toronto, Canada
El Salvador	Tucson
El Salvador	Tulsa
El Salvador	Tyler
El Salvador	Vail (seasonal)
El Salvador	Vancouver, Canada
El Salvador	Waco
El Salvador	Washington
El Salvador	West Palm Beach
El Salvador	Wichita
El Salvador	Wichita Falls
Iquique	Abilene
Iquique	Acapulco, Mexico
Iquique	Albuquerque
Iquique	Alexandria

1/ Nonstop via Dallas/Fort Worth.

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The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
Iquique	Amarillo
Iquique	Aspen
Iquique	Atlanta
Iquique	Austin
Iquique	Bakersfield
Iquique	Baltimore
Iquique	Baton Rouge
Iquique	Beaumont/Port Arthur
Iquique	Birmingham
Iquique	Boston
Iquique	Burbank
Iquique	Calgary, Canada
Iquique	Charlotte
Iquique	Chicago
Iquique	Cincinnati
Iquique	Cleveland
Iquique	College Station
Iquique	Colorado Springs
Iquique	Columbus
Iquique	Corpus Christi
Iquique	Dayton
Iquique	Denver
Iquique	Des Moines
Iquique	Detroit
Iquique	Durango (seasonal)
Iquique	El Paso
Iquique	Fayetteville
Iquique	Fort Lauderdale
Iquique	Fort Myers (seasonal)
Iquique	Fort Smith
Iquique	Fresno
Iquique	Greensboro
Iquique	Guadalajara, Mexico
Iquique	Gunnison (seasonal)
Iquique	Harlingen
Iquique	Hartford/Springfield
Iquique	Honolulu
Iquique	Houston
Iquique	Huntsville
Iquique	Indianapolis
Iquique	Jackson
Iquique	Jacksonville
Iquique	Kansas City
Iquique	Killeen
Iquique	Knoxville
Iquique	Lafayette
Iquique	Lake Charles

1/ Nonstop via Dallas/Fort Worth.

Source: Published airline schedules, effective November 20, 1997.

The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
Iquique	Laredo
Iquique	Las Vegas
Iquique	Lawton
Iquique	León, Mexico
Iquique	Little Rock
Iquique	London, United Kingdom
Iquique	Long Beach
Iquique	Longview
Iquique	Los Cabos, Mexico
Iquique	Louisville
Iquique	Lubbock
Iquique	McAllen
Iquique	Memphis
Iquique	Midland/Odessa
Iquique	Minneapolis/St. Paul
Iquique	Monterrey, Mexico
Iquique	Nashville
Iquique	New Orleans
Iquique	Norfolk
Iquique	Oakland
Iquique	Oklahoma City
Iquique	Omaha
Iquique	Ontario
Iquique	Orange County
Iquique	Orlando
Iquique	Palm Springs
Iquique	Paris, France
Iquique	Pensacola
Iquique	Philadelphia
Iquique	Phoenix
Iquique	Pittsburgh
Iquique	Portland
Iquique	Puebla, Mexico (effective 12/15)
Iquique	Puerto Vallarta, Mexico
Iquique	Raleigh/Durham
Iquique	Reno
Iquique	Richmond
Iquique	Sacramento
Iquique	St. Louis
Iquique	Salt Lake City
Iquique	San Angelo
Iquique	San Antonio
Iquique	San Diego
Iquique	San Francisco
Iquique	San Jose
Iquique	San Juan
Iquique	Santa Fe

1/ Nonstop via Dallas/Fort Worth.

Source: Published airline schedules, effective November 20, 1997.

The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
Iquique	Seattle/Tacoma
Iquique	Shreveport
Iquique	Springfield
Iquique	Steamboat Springs (seasonal)
Iquique	Tampa
Iquique	Texarkana
Iquique	Tokyo, Japan
Iquique	Toronto, Canada
Iquique	Tucson
Iquique	Tulsa
Iquique	Tyler
Iquique	Vail (seasonal)
Iquique	Vancouver, Canada
Iquique	Waco
Iquique	Washington
Iquique	West Palm Beach
Iquique	Wichita
Iquique	Wichita Falls
La Serena	Abilene
La Serena	Acapulco, Mexico
La Serena	Albuquerque
La Serena	Alexandria
La Serena	Amarillo
La Serena	Aspen
La Serena	Atlanta
La Serena	Austin
La Serena	Bakersfield
La Serena	Baltimore
La Serena	Baton Rouge
La Serena	Beaumont/Port Arthur
La Serena	Birmingham
La Serena	Boston
La Serena	Burbank
La Serena	Calgary, Canada
La Serena	Charlotte
La Serena	Chicago
La Serena	Cincinnati
La Serena	Cleveland
La Serena	College Station
La Serena	Colorado Springs
La Serena	Columbus
La Serena	Corpus Christi
La Serena	Dayton
La Serena	Denver
La Serena	Des Moines
La Serena	Detroit

1/ Nonstop via Dallas/Fort Worth.

Source: Published airline schedules, effective November 20, 1997.

The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
La Serena	Durango (seasonal)
La Serena	El Paso
La Serena	Fayetteville
La Serena	Fort Lauderdale
La Serena	Fort Myers (seasonal)
La Serena	Fort Smith
La Serena	Fresno
La Serena	Greensboro
La Serena	Guadalajara, Mexico
La Serena	Gunnison (seasonal)
La Serena	Harlingen
La Serena	Hartford/Springfield
La Serena	Honolulu
La Serena	Houston
La Serena	Huntsville
La Serena	Indianapolis
La Serena	Jackson
La Serena	Jacksonville
La Serena	Kansas City
La Serena	Killeen
La Serena	Knoxville
La Serena	Lafayette
La Serena	Lake Charles
La Serena	Laredo
La Serena	Las Vegas
La Serena	Lawton
La Serena	León, Mexico
La Serena	Little Rock
La Serena	London, United Kingdom
La Serena	Long Beach
La Serena	Longview
La Serena	Los Cabos, Mexico
La Serena	Louisville
La Serena	Lubbock
La Serena	McAllen
La Serena	Memphis
La Serena	Midland/Odessa
La Serena	Minneapolis/St. Paul
La Serena	Monterrey, Mexico
La Serena	Nashville
La Serena	New Orleans
La Serena	Norfolk
La Serena	Oakland
La Serena	Oklahoma City
La Serena	Omaha
La Serena	Ontario
La Serena	Orange County

1/ Nonstop via Dallas/Fort Worth.

Source: Published airline schedules, effective November 20, 1997.

The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
La Serena	Orlando
La Serena	Palm Springs
La Serena	Paris, France
La Serena	Pensacola
La Serena	Philadelphia
La Serena	Phoenix
La Serena	Pittsburgh
La Serena	Portland
La Serena	Puebla, Mexico (effective 12/15)
La Serena	Puerto Vallarta, Mexico
La Serena	Raleigh/Durham
La Serena	Reno
La Serena	Richmond
La Serena	Sacramento
La Serena	St. Louis
La Serena	Salt Lake City
La Serena	San Angelo
La Serena	San Antonio
La Serena	San Diego
La Serena	San Francisco
La Serena	San Jose
La Serena	San Juan
La Serena	Santa Fe
La Serena	Seattle/Tacoma
La Serena	Shreveport
La Serena	Springfield
La Serena	Steamboat Springs (seasonal)
La Serena	Tampa
La Serena	Texarkana
La Serena	Tokyo, Japan
La Serena	Toronto, Canada
La Serena	Tucson
La Serena	Tulsa
La Serena	Tyler
La Serena	Vail (seasonal)
La Serena	Vancouver, Canada
La Serena	Waco
La Serena	Washington
La Serena	West Palm Beach
La Serena	Wichita
La Serena	Wichita Falls
Osorno	Abilene
Osorno	Acapulco, Mexico
Osorno	Albuquerque
Osorno	Alexandria
Osorno	Amarillo

1/ Nonstop via Dallas/Fort Worth.

Source: Published airline schedules, effective November 20, 1997.

The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
Osomo	Aspen
Osomo	Atlanta
Osomo	Austin
Osomo	Bakersfield
Osomo	Baltimore
Osomo	Baton Rouge
Osomo	Beaumont/Port Arthur
Osomo	Birmingham
Osomo	Boston
Osomo	Burbank
Osomo	Calgary, Canada
Osomo	Charlotte
Osomo	Chicago
Osomo	Cincinnati
Osomo	Cleveland
Osomo	College Station
Osomo	Colorado Springs
Osomo	Columbus
Osomo	Corpus Christi
Osomo	Dayton
Osomo	Denver
Osomo	Des Moines
Osomo	Detroit
Osomo	Durango (seasonal)
Osomo	El Paso
Osomo	Fayetteville
Osomo	Fort Lauderdale
Osomo	Fort Myers (seasonal)
Osomo	Fort Smith
Osomo	Fresno
Osomo	Greensboro
Osomo	Guadalajara, Mexico
Osomo	Gunnison (seasonal)
Osomo	Harlingen
Osomo	Hartford/Springfield
Osomo	Honolulu
Osomo	Houston
Osomo	Huntsville
Osomo	Indianapolis
Osomo	Jackson
Osomo	Jacksonville
Osomo	Kansas City
Osomo	Killeen
Osomo	Knoxville
Osomo	Lafayette
Osomo	Lake Charles
Osomo	Laredo

1/ Nonstop via Dallas/Fort Worth.

Source: Published airline schedules, effective November 20, 1997.

The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
Osomo	Las Vegas
Osomo	Lawton
Osomo	León, Mexico
Osomo	Little Rock
Osomo	London, United Kingdom
Osomo	Long Beach
Osomo	Longview
Osomo	Los Cabos, Mexico
Osomo	Louisville
Osomo	Lubbock
Osomo	McAllen
Osomo	Memphis
Osomo	Midland/Odessa
Osomo	Minneapolis/St. Paul
Osomo	Monterrey, Mexico
Osomo	Nashville
Osomo	New Orleans
Osomo	Norfolk
Osomo	Oakland
Osomo	Oklahoma City
Osomo	Omaha
Osomo	Ontario
Osomo	Orange County
Osomo	Orlando
Osomo	Palm Springs
Osomo	Paris, France
Osomo	Pensacola
Osomo	Philadelphia
Osomo	Phoenix
Osomo	Pittsburgh
Osomo	Portland
Osomo	Puebla, Mexico (effective 12/15)
Osomo	Puerto Vallarta, Mexico
Osomo	Raleigh/Durham
Osomo	Reno
Osomo	Richmond
Osomo	Sacramento
Osomo	St. Louis
Osomo	Salt Lake City
Osomo	San Angelo
Osomo	San Antonio
Osomo	San Diego
Osomo	San Francisco
Osomo	San Jose
Osomo	San Juan
Osomo	Santa Fe
Osomo	Seattle/Tacoma

1/ Nonstop via Dallas/Fort Worth.

Source: Published airline schedules, effective November 20, 1997.

The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
Osomo	Shreveport
Osomo	Springfield
Osomo	Steamboat Springs (seasonal)
Osomo	Tampa
Osomo	Texarkana
Osomo	Tokyo, Japan
Osomo	Toronto, Canada
Osomo	Tucson
Osomo	Tulsa
Osomo	Tyler
Osomo	Vail (seasonal)
Osomo	Vancouver, Canada
Osomo	Waco
Osomo	Washington
Osomo	West Palm Beach
Osomo	Wichita
Osomo	Wichita Falls
Puerto Montt	Abilene
Puerto Montt	Acapulco, Mexico
Puerto Montt	Albuquerque
Puerto Montt	Alexandria
Puerto Montt	Amarillo
Puerto Montt	Aspen
Puerto Montt	Atlanta
Puerto Montt	Austin
Puerto Montt	Bakersfield
Puerto Montt	Baltimore
Puerto Montt	Baton Rouge
Puerto Montt	Beaumont/Port Arthur
Puerto Montt	Birmingham
Puerto Montt	Boston
Puerto Montt	Burbank
Puerto Montt	Calgary, Canada
Puerto Montt	Charlotte
Puerto Montt	Chicago
Puerto Montt	Cincinnati
Puerto Montt	Cleveland
Puerto Montt	College Station
Puerto Montt	Colorado Springs
Puerto Montt	Columbus
Puerto Montt	Corpus Christi
Puerto Montt	Dayton
Puerto Montt	Denver
Puerto Montt	Des Moines
Puerto Montt	Detroit
Puerto Montt	Durango (seasonal)

1/ Nonstop via Dallas/Fort Worth.

The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
Puerto Montt	El Paso
Puerto Montt	Fayetteville
Puerto Montt	Fort Lauderdale
Puerto Montt	Fort Myers (seasonal)
Puerto Montt	Fort Smith
Puerto Montt	Fresno
Puerto Montt	Greensboro
Puerto Montt	Guadalajara, Mexico
Puerto Montt	Gunnison (seasonal)
Puerto Montt	Harlingen
Puerto Montt	Hartford/Springfield
Puerto Montt	Honolulu
Puerto Montt	Houston
Puerto Montt	Huntsville
Puerto Montt	Indianapolis
Puerto Montt	Jackson
Puerto Montt	Jacksonville
Puerto Montt	Kansas City
Puerto Montt	Killeen
Puerto Montt	Knoxville
Puerto Montt	Lafayette
Puerto Montt	Lake Charles
Puerto Montt	Laredo
Puerto Montt	Las Vegas
Puerto Montt	Lawton
Puerto Montt	León, Mexico
Puerto Montt	Little Rock
Puerto Montt	London, United Kingdom
Puerto Montt	Long Beach
Puerto Montt	Longview
Puerto Montt	Los Cabos, Mexico
Puerto Montt	Louisville
Puerto Montt	Lubbock
Puerto Montt	McAllen
Puerto Montt	Memphis
Puerto Montt	Midland/Odessa
Puerto Montt	Minneapolis/St. Paul
Puerto Montt	Monterrey, Mexico
Puerto Montt	Nashville
Puerto Montt	New Orleans
Puerto Montt	Norfolk
Puerto Montt	Oakland
Puerto Montt	Oklahoma City
Puerto Montt	Omaha
Puerto Montt	Ontario
Puerto Montt	Orange County
Puerto Montt	Orlando

1/ Nonstop via Dallas/Fort Worth.

Source: Published airline schedules, effective November 20, 1997.

The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
Puerto Montt	Palm Springs
Puerto Montt	Paris, France
Puerto Montt	Pensacola
Puerto Montt	Philadelphia
Puerto Montt	Phoenix
Puerto Montt	Pittsburgh
Puerto Montt	Portland
Puerto Montt	Puebla, Mexico (effective 12/15)
Puerto Montt	Puerto Vallarta, Mexico
Puerto Montt	Raleigh/Durham
Puerto Montt	Reno
Puerto Montt	Richmond
Puerto Montt	Sacramento
Puerto Montt	St. Louis
Puerto Montt	Salt Lake City
Puerto Montt	San Angelo
Puerto Montt	San Antonio
Puerto Montt	San Diego
Puerto Montt	San Francisco
Puerto Montt	San Jose
Puerto Montt	San Juan
Puerto Montt	Santa Fe
Puerto Montt	Seattle/Tacoma
Puerto Montt	Shreveport
Puerto Montt	Springfield
Puerto Montt	Steamboat Springs (seasonal)
Puerto Montt	Tampa
Puerto Montt	Texarkana
Puerto Montt	Tokyo, Japan
Puerto Montt	Toronto, Canada
Puerto Montt	Tucson
Puerto Montt	Tulsa
Puerto Montt	Tyler
Puerto Montt	Vail (seasonal)
Puerto Montt	Vancouver, Canada
Puerto Montt	Waco
Puerto Montt	Washington
Puerto Montt	West Palm Beach
Puerto Montt	Wichita
Puerto Montt	Wichita Falls
Punta Arenas	Abilene
Punta Arenas	Acapulco, Mexico
Punta Arenas	Albuquerque
Punta Arenas	Alexandria
Punta Arenas	Amarillo
Punta Arenas	Aspen

1/ Nonstop via Dallas/Fort Worth.

Source: Published airline schedules, effective November 20, 1997.

The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
Punta Arenas	Atlanta
Punta Arenas	Austin
Punta Arenas	Bakersfield
Punta Arenas	Baltimore
Punta Arenas	Baton Rouge
Punta Arenas	Beaumont/Port Arthur
Punta Arenas	Birmingham
Punta Arenas	Boston
Punta Arenas	Burbank
Punta Arenas	Calgary, Canada
Punta Arenas	Charlotte
Punta Arenas	Chicago
Punta Arenas	Cincinnati
Punta Arenas	Cleveland
Punta Arenas	College Station
Punta Arenas	Colorado Springs
Punta Arenas	Columbus
Punta Arenas	Corpus Christi
Punta Arenas	Dayton
Punta Arenas	Denver
Punta Arenas	Des Moines
Punta Arenas	Detroit
Punta Arenas	Durango (seasonal)
Punta Arenas	El Paso
Punta Arenas	Fayetteville
Punta Arenas	Fort Lauderdale
Punta Arenas	Fort Myers (seasonal)
Punta Arenas	Fort Smith
Punta Arenas	Fresno
Punta Arenas	Greensboro
Punta Arenas	Guadalajara, Mexico
Punta Arenas	Gunnison (seasonal)
Punta Arenas	Harlingen
Punta Arenas	Hartford/Springfield
Punta Arenas	Honolulu
Punta Arenas	Houston
Punta Arenas	Huntsville
Punta Arenas	Indianapolis
Punta Arenas	Jackson
Punta Arenas	Jacksonville
Punta Arenas	Kansas City
Punta Arenas	Killeen
Punta Arenas	Knoxville
Punta Arenas	Lafayette
Punta Arenas	Lake Charles
Punta Arenas	Laredo
Punta Arenas	Las Vegas

1/ Nonstop via Dallas/Fort Worth.

Source: Published airline schedules, effective November 20, 1997.

The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
Punta Arenas	Lawton
Punta Arenas	León, Mexico
Punta Arenas	Little Rock
Punta Arenas	London, United Kingdom
Punta Arenas	Long Beach
Punta Arenas	Longview
Punta Arenas	Los Cabos, Mexico
Punta Arenas	Louisville
Punta Arenas	Lubbock
Punta Arenas	McAllen
Punta Arenas	Memphis
Punta Arenas	Midland/Odessa
Punta Arenas	Minneapolis/St. Paul
Punta Arenas	Monterrey, Mexico
Punta Arenas	Nashville
Punta Arenas	New Orleans
Punta Arenas	Norfolk
Punta Arenas	Oakland
Punta Arenas	Oklahoma City
Punta Arenas	Omaha
Punta Arenas	Ontario
Punta Arenas	Orange County
Punta Arenas	Orlando
Punta Arenas	Palm Springs
Punta Arenas	Paris, France
Punta Arenas	Pensacola
Punta Arenas	Philadelphia
Punta Arenas	Phoenix
Punta Arenas	Pittsburgh
Punta Arenas	Portland
Punta Arenas	Puebla, Mexico (effective 12/15)
Punta Arenas	Puerto Vallarta, Mexico
Punta Arenas	Raleigh/Durham
Punta Arenas	Reno
Punta Arenas	Richmond
Punta Arenas	Sacramento
Punta Arenas	St. Louis
Punta Arenas	Salt Lake City
Punta Arenas	San Angelo
Punta Arenas	San Antonio
Punta Arenas	San Diego
Punta Arenas	San Francisco
Punta Arenas	San Jose
Punta Arenas	San Juan
Punta Arenas	Santa Fe
Punta Arenas	Seattle/Tacoma
Punta Arenas	Shreveport

1/ Nonstop via Dallas/Fort Worth.

Source: Published airline schedules, effective November 20, 1997.

The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
Punta Arenas	Springfield
Punta Arenas	Steamboat Springs (seasonal)
Punta Arenas	Tampa
Punta Arenas	Texarkana
Punta Arenas	Tokyo, Japan
Punta Arenas	Toronto, Canada
Punta Arenas	Tucson
Punta Arenas	Tulsa
Punta Arenas	Tyler
Punta Arenas	Vail (seasonal)
Punta Arenas	Vancouver, Canada
Punta Arenas	Waco
Punta Arenas	Washington
Punta Arenas	West Palm Beach
Punta Arenas	Wichita
Punta Arenas	Wichita Falls
Santiago	Abilene
Santiago	Acapulco, Mexico
Santiago	Albuquerque
Santiago	Alexandria
Santiago	Amarillo
Santiago	Aspen
Santiago	Atlanta
Santiago	Austin
Santiago	Bakersfield
Santiago	Baltimore
Santiago	Baton Rouge
Santiago	Beaumont/Port Arthur
Santiago	Birmingham
Santiago	Boston
Santiago	Burbank
Santiago	Calgary, Canada
Santiago	Charlotte
Santiago	Chicago
Santiago	Cincinnati
Santiago	Cleveland
Santiago	College Station
Santiago	Colorado Springs
Santiago	Columbus
Santiago	Corpus Christi
Santiago	Dayton
Santiago	Denver
Santiago	Des Moines
Santiago	Detroit
Santiago	Durango (seasonal)
Santiago	El Paso

1/ Nonstop via Dallas/Fort Worth.

Source: Published airline schedules, effective November 20, 1997.

The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

<u>From Chile</u>	<u>To the United States and Beyond 1/</u>
Santiago	Fayetteville
Santiago	Fort Lauderdale
Santiago	Fort Myers (seasonal)
Santiago	Fort Smith
Santiago	Fresno
Santiago	Greensboro
Santiago	Guadalajara, Mexico
Santiago	Gunnison (seasonal)
Santiago	Harlingen
Santiago	Hartford/Springfield
Santiago	Honolulu
Santiago	Houston
Santiago	Huntsville
Santiago	Indianapolis
Santiago	Jackson
Santiago	Jacksonville
Santiago	Kansas City
Santiago	Killeen
Santiago	Knoxville
Santiago	Lafayette
Santiago	Lake Charles
Santiago	Laredo
Santiago	Las Vegas
Santiago	Lawton
Santiago	León, Mexico
Santiago	Little Rock
Santiago	London, United Kingdom
Santiago	Long Beach
Santiago	Longview
Santiago	Los Cabos, Mexico
Santiago	Louisville
Santiago	Lubbock
Santiago	McAllen
Santiago	Memphis
Santiago	Midland/Odessa
Santiago	Minneapolis/St. Paul
Santiago	Monterrey, Mexico
Santiago	Nashville
Santiago	New Orleans
Santiago	Norfolk
Santiago	Oakland
Santiago	Oklahoma City
Santiago	Omaha
Santiago	Ontario
Santiago	Orange County
Santiago	Orlando
Santiago	Palm Springs

1/ Nonstop via Dallas/Fort Worth.

Source: Published airline schedules, effective November 20, 1997.

The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
Santiago	Paris, France
Santiago	Pensacola
Santiago	Philadelphia
Santiago	Phoenix
Santiago	Pittsburgh
Santiago	Portland
Santiago	Puebla, Mexico (effective 12/15)
Santiago	Puerto Vallarta, Mexico
Santiago	Raleigh/Durham
Santiago	Reno
Santiago	Richmond
Santiago	Sacramento
Santiago	St. Louis
Santiago	Salt Lake City
Santiago	San Angelo
Santiago	San Antonio
Santiago	San Diego
Santiago	San Francisco
Santiago	San Jose
Santiago	San Juan
Santiago	Santa Fe
Santiago	Seattle/Tacoma
Santiago	Shreveport
Santiago	Springfield
Santiago	Steamboat Springs (seasonal)
Santiago	Tampa
Santiago	Texarkana
Santiago	Tokyo, Japan
Santiago	Toronto, Canada
Santiago	Tucson
Santiago	Tulsa
Santiago	Tyler
Santiago	Vail (seasonal)
Santiago	Vancouver, Canada
Santiago	Waco
Santiago	Washington
Santiago	West Palm Beach
Santiago	Wichita
Santiago	Wichita Falls
Temuco	Abilene
Temuco	Acapulco, Mexico
Temuco	Albuquerque
Temuco	Alexandria
Temuco	Amarillo
Temuco	Aspen
Temuco	Atlanta

1/ Nonstop via Dallas/Fort Worth.

Source: Published airline schedules, effective November 20, 1997.

The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
Temuco	Austin
Temuco	Bakersfield
Temuco	Baltimore
Temuco	Baton Rouge
Temuco	Beaumont/Port Arthur
Temuco	Birmingham
Temuco	Boston
Temuco	Burbank
Temuco	Calgary, Canada
Temuco	Charlotte
Temuco	Chicago
Temuco	Cincinnati
Temuco	Cleveland
Temuco	College Station
Temuco	Colorado Springs
Temuco	Columbus
Temuco	Corpus Christi
Temuco	Dayton
Temuco	Denver
Temuco	Des Moines
Temuco	Detroit
Temuco	Durango (seasonal)
Temuco	El Paso
Temuco	Fayetteville
Temuco	Fort Lauderdale
Temuco	Fort Myers (seasonal)
Temuco	Fort Smith
Temuco	Fresno
Temuco	Greensboro
Temuco	Guadalajara, Mexico
Temuco	Gunnison (seasonal)
Temuco	Harlingen
Temuco	Hartford/Springfield
Temuco	Honolulu
Temuco	Houston
Temuco	Huntsville
Temuco	Indianapolis
Temuco	Jackson
Temuco	Jacksonville
Temuco	Kansas City
Temuco	Killeen
Temuco	Knoxville
Temuco	Lafayette
Temuco	Lake Charles
Temuco	Laredo
Temuco	Las Vegas
Temuco	Lawton

1/ Nonstop via Dallas/Fort Worth.

Source: Published airline schedules, effective November 20, 1997.

The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond ^{1/}
Temuco	León, Mexico
Temuco	Little Rock
Temuco	London, United Kingdom
Temuco	Long Beach
Temuco	Longview
Temuco	Los Cabos, Mexico
Temuco	Louisville
Temuco	Lubbock
Temuco	McAllen
Temuco	Memphis
Temuco	Midland/Odessa
Temuco	Minneapolis/St. Paul
Temuco	Monterrey, Mexico
Temuco	Nashville
Temuco	New Orleans
Temuco	Norfolk
Temuco	Oakland
Temuco	Oklahoma City
Temuco	Omaha
Temuco	Ontario
Temuco	Orange County
Temuco	Orlando
Temuco	Palm Springs
Temuco	Paris, France
Temuco	Pensacola
Temuco	Philadelphia
Temuco	Phoenix
Temuco	Pittsburgh
Temuco	Portland
Temuco	Puebla, Mexico (effective 12/15)
Temuco	Puerto Vallarta, Mexico
Temuco	Raleigh/Durham
Temuco	Reno
Temuco	Richmond
Temuco	Sacramento
Temuco	St. Louis
Temuco	Salt Lake City
Temuco	San Angelo
Temuco	San Antonio
Temuco	San Diego
Temuco	San Francisco
Temuco	San Jose
Temuco	San Juan
Temuco	Santa Fe
Temuco	Seattle/Tacoma
Temuco	Shreveport
Temuco	Springfield

^{1/} Nonstop via Dallas/Fort Worth.

Source: Published airline schedules, effective November 20, 1997.

The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
Temuco	Steamboat Springs (seasonal)
Temuco	Tampa
Temuco	Texarkana
Temuco	Tokyo, Japan
Temuco	Toronto, Canada
Temuco	Tucson
Temuco	Tulsa
Temuco	Tyler
Temuco	Vail (seasonal)
Temuco	Vancouver, Canada
Temuco	Waco
Temuco	Washington
Temuco	West Palm Beach
Temuco	Wichita
Temuco	Wichita Falls
Valdivia	Abilene
Valdivia	Acapulco, Mexico
Valdivia	Albuquerque
Valdivia	Alexandria
Valdivia	Amarillo
Valdivia	Aspen
Valdivia	Atlanta
Valdivia	Austin
Valdivia	Bakersfield
Valdivia	Baltimore
Valdivia	Baton Rouge
Valdivia	Beaumont/Port Arthur
Valdivia	Birmingham
Valdivia	Boston
Valdivia	Burbank
Valdivia	Calgary, Canada
Valdivia	Charlotte
Valdivia	Chicago
Valdivia	Cincinnati
Valdivia	Cleveland
Valdivia	College Station
Valdivia	Colorado Springs
Valdivia	Columbus
Valdivia	Corpus Christi
Valdivia	Dayton
Valdivia	Denver
Valdivia	Des Moines
Valdivia	Detroit
Valdivia	Durango (seasonal)
Valdivia	El Paso
Valdivia	Fayetteville

1/ Nonstop via Dallas/Fort Worth.

Source: Published airline schedules, effective November 20, 1997.

The American-Lan Chile Alliance Will Create New Online Service in 1,871 Markets via Dallas/Fort Worth

From Chile	To the United States and Beyond 1/
Valdivia	Fort Lauderdale
Valdivia	Fort Myers (seasonal)
Valdivia	Fort Smith
Valdivia	Fresno
Valdivia	Greensboro
Valdivia	Guadalajara, Mexico
Valdivia	Gunnison (seasonal)
Valdivia	Harlingen
Valdivia	Hartford/Springfield
Valdivia	Honolulu
Valdivia	Houston
Valdivia	Huntsville
Valdivia	Indianapolis
Valdivia	Jackson
Valdivia	Jacksonville
Valdivia	Kansas City
Valdivia	Killeen
Valdivia	Knoxville
Valdivia	Lafayette
Valdivia	Lake Charles
Valdivia	Laredo
Valdivia	Las Vegas
Valdivia	Lawton
Valdivia	León, Mexico
Valdivia	Little Rock
Valdivia	London, United Kingdom
Valdivia	Long Beach
Valdivia	Longview
Valdivia	Los Cabos, Mexico
Valdivia	Louisville
Valdivia	Lubbock
Valdivia	McAllen
Valdivia	Memphis
Valdivia	Midland/Odessa
Valdivia	Minneapolis/St. Paul
Valdivia	Monterrey, Mexico
Valdivia	Nashville
Valdivia	New Orleans
Valdivia	Norfolk
Valdivia	Oakland
Valdivia	Oklahoma City
Valdivia	Omaha
Valdivia	Ontario
Valdivia	Orange County
Valdivia	Orlando
Valdivia	Palm Springs
Valdivia	Paris, France

1/ Nonstop via Dallas/Fort Worth.

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From Chile	To the United States and Beyond 1/
Valdivia	Pensacola
Valdivia	Philadelphia
Valdivia	Phoenix
Valdivia	Pittsburgh
Valdivia	Portland
Valdivia	Puebla, Mexico (effective 12/15)
Valdivia	Puerto Vallarta, Mexico
Valdivia	Raleigh/Durham
Valdivia	Reno
Valdivia	Richmond
Valdivia	Sacramento
Valdivia	St. Louis
Valdivia	Salt Lake City
Valdivia	San Angelo
Valdivia	San Antonio
Valdivia	San Diego
Valdivia	San Francisco
Valdivia	San Jose
Valdivia	San Juan
Valdivia	Santa Fe
Valdivia	Seattle/Tacoma
Valdivia	Shreveport
Valdivia	Springfield
Valdivia	Steamboat Springs (seasonal)
Valdivia	Tampa
Valdivia	Texarkana
Valdivia	Tokyo, Japan
Valdivia	Toronto, Canada
Valdivia	Tucson
Valdivia	Tulsa
Valdivia	Tyler
Valdivia	Vail (seasonal)
Valdivia	Vancouver, Canada
Valdivia	Waco
Valdivia	Washington
Valdivia	West Palm Beach
Valdivia	Wichita
Valdivia	Wichita Falls
Antofagasta	Dallas/Fort Worth
Arica	Dallas/Fort Worth
Balmaceda	Dallas/Fort Worth
Calama	Dallas/Fort Worth
Concepcion	Dallas/Fort Worth
Copiapo	Dallas/Fort Worth
Easter Island	Dallas/Fort Worth
El Salvador	Dallas/Fort Worth

1/ Nonstop via Dallas/Fort Worth.

Source: Published airline schedules, effective November 20, 1997.

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Dallas/Fort Worth**

From Chile	To the United States and Beyond 1/
Iquique	Dallas/Fort Worth
La Serena	Dallas/Fort Worth
Osorno	Dallas/Fort Worth
Puerto Montt	Dallas/Fort Worth
Punta Arenas	Dallas/Fort Worth
Temuco	Dallas/Fort Worth
Valdivia	Dallas/Fort Worth

1/ Nonstop via Dallas/Fort Worth.